



Memorandum

To: Honorable Mayor and Members of the City Council
From: Hitesh Desai, Chief Financial Officer
CC: Kate Lewis-Lakin, Budget Manager
Subject: Ordinance 98-O-21: 2022 Budget Ordinance
Date: November 22, 2021

Recommended Action:

Staff recommends adoption of Ordinance 98-O-21, approving the 2022 Fiscal Year Budget of the City of Evanston in the amount of \$360,433,520.

Council Action:

For Action

Summary:

The 2022 Proposed Budget was published on the City's website on October 11, 2021. The budget was presented and discussed at City Council meetings on October 18, October 25, November 1, and November 8. The City Council held a public hearing on the 2022 Proposed Budget on October 25, 2021, which was properly noticed.

The 2022 Proposed Budget released on October 11 included \$355,728,113 in total expenses. The amount shown today in the 2022 Budget Ordinance is \$360,433,520. A summary of expenses for all funds is shown in the attachment, including which funds have an expense increase from the originally proposed budget. Funds showing a substantial increase are: General Fund, Crown Construction fund, Water Fund, Solid Waste Fund, and Equipment Replacement Fund. The changes to these funds is discussed below. The remaining increases are insubstantial and due to corrections in health insurance cost calculations.

Additionally, an attachment has been added to the memo that shows all positions held vacant or new positions that were at one point proposed to be added to the budget. A column has been added which shows when the position is authorized to be filled, or whether it has been removed from the Revised Budget based on City Council feedback.

Two changes have been made since the last meeting on November 8, 2021. One position has been added to the list at the request of staff and City Council, which is an Environmental Health Inspector to enforce the leaf blower ordinance. The annual cost for this position is expected to be \$90,000. The Interim City Manager has also made the decision to hold on filling some of the

new positions proposed until July 1, 2022. Together with the additional of the new Inspector position, these changes would create additional savings of \$451,000. This is not currently reflected in the Budget Ordinance - it is staff's preference to still budget all positions for a full year, for more accurate planning of future years. Any expense savings to budget would allow the City to reduce the amount of ARPA funding used towards General Fund operations in 2022.

General Fund

The changes to General Fund revenue and expenses from the initially proposed budget are summarized below, and explained in further detail following.

Revenue	Free beaches for Evanston Residents	(650,000)
	Crossing Guard Reimbursement	57,000
	Vital records revenue	80,000
	Revised revenue projections	436,400
	ARPA revenue loss funding	2,750,000
	Total Changes - Revenue	\$2,673,400
Expenses	New Positions (8 FTE)	951,000
	One-time expenses	1,100,000
	Crossing Guards	310,000
	Corrections to health insurance	85,000
	Other position corrections	209,053
	Total Changes - Expenses	\$2,655,053

Free beaches - The revised budget includes the implementation of free beaches for Evanston residents, and continuing the current Evanston resident rate for Skokie residents. This change results in a revenue reduction of \$650,000.

Crossing Guards - The City Council gave direction that funding for crossing guards should be budgeted through the end of the current school year (June 2022). This increases expenses \$310,000, and reimbursement revenue by \$57,000.

Vital Records - Revenue for the provision of birth and death certificates has been added to the budget in the amount of \$80,000. The City Clerk's office has begun providing this service. This is balanced with the addition of a second deputy clerk to the office, for a cost of \$80,000.

Revised Revenue Projections - Due to positive increases in current year revenue, staff made small changes to a number of 2022 revenue projections. Revenues increased include sales tax, income tax, transportation network provider tax, real estate transfer tax, and amusement tax. These revenues are showing stronger recovery from the COVID-19 pandemic than initially projected, so staff is comfortable increasing these projections.

One-time expenses - Two major one-time expenses have been added to the revised budget - \$600,000 for permit software improvements, and \$500,000 for comprehensive and strategic plan consulting. These are supported by ARPA revenue loss funding.

Corrections to health insurance and other position corrections - After the release of the proposed budget document, staff did another review of personnel numbers and made corrections to errors. These were primarily positions incorrectly budgeted in other funds, and have now been corrected. Health insurance premiums were finalized for open enrollment, and these also affected health insurance costs to a small extent.

ARPA Revenue Loss Funding - ARPA revenue loss funding was increased to cover one-time expenses and balance the General Fund budget for 2022. In total, \$4,250,000 in ARPA revenue loss funding is recommended to support General Fund operations in 2022.

New Positions (8 FTE) - In the transmittal letter for the 2022 Proposed Budget, staff put forward 20 additional positions recommended to be added in order to improve City operations. This was in addition to the 29 positions held vacant in the 2021 budget that have also been added back in to the 2022 budget. Based on feedback from City Council, staff recommends that the following 11 FTE positions be budgeted beginning on January 1, 2022. The remaining positions proposed will not be included in the 2022 budget. Staff will revisit these positions in June of 2022 based on operational needs and revenue performance, and may come back to City Council with these additional positions and a budget amendment at that time. The positions proposed to be added for January 1, 2022 are:

Deputy City Clerk (1 FTE) - supported by vital records revenue	\$80,000
Human Resources Specialist (1 FTE)	\$100,000
Facilities Maintenance Worker III - Crown (1 FTE)	\$100,000
Facilities Maintenance Worker III - Crown (1 FTE)	\$100,000
Permit Service Representative (2 FTE)	\$148,000
Permit Desk Supervisor (1 FTE)	\$130,000
Lakefront Recreation Manager (1 FTE)	\$115,000
Assistant Recreation Manager - Crown (1 FTE)	\$95,000
Crown PT Custodians and Zamboni Driver (2.25 FTE)	\$83,000
Total New Positions	\$951,000

Crown Construction Fund

Expenses in the Crown Construction Fund increased \$800,000 between the 2022 Proposed Budget and the budget ordinance. This is to account for spending on contracts for the construction of the building that are still being paid, and are likely to continue into 2022. All contracts and change orders for the project have been approved by City Council and are within the total project budget. This change is just to reflect the need for some final payments to fall into next year.

Water Fund

Expenses in the Water Fund increased by \$309,955 between the proposed budget and the budget ordinance. This was due to minor corrections in personnel costs, and increases budget lines for chemicals/salt, phosphate chemicals, and equipment maintenance material.

Solid Waste Fund

The budget for the Solid Waste Fund increased by \$178,076 from the proposed budget to the budget ordinance. This was partially due to correcting an error in the furniture and fixtures line. It is also due to small increases in lines for SWANCC disposal fees, residential removal contractual costs, and yard waste removal contractual costs, as these contract numbers for 2022 were finalized since the proposed budget was released.

Equipment Replacement Fund

The Equipment Replacement Fund was increased by \$750,000 in both revenues and expenses. This is in anticipation of a purchase of a new fire engine, which is expected to be funded by an institutional donation to the City. If this donation is not received, the fire engine will not be purchased in 2022.

Attachments:

[Revised Budget 11.2.21 All funds](#)

[98-O-21 2022 Budget Ordinance](#)

[Final New Held Position List 2022 - Final Position List](#)

Fund	2020 Actual Expenses	2021 Adopted Budget	2022 Proposed Budget	2022 Revised Budget	Change Proposed to Revised	Change 2021 to 2022 Revised
100 GENERAL FUND	109,770,758	111,020,191	115,235,930	117,890,983	2,655,053	6,870,793
170 AMERICAN RESCUE PLAN	-	-	30,400,000	30,400,000	-	30,400,000
175 GENERAL ASSISTANCE FUND	1,115,683	1,325,044	1,341,353	1,341,353	-	16,308
176 HUMAN SERVICES FUND	2,402,653	3,645,724	3,868,336	3,868,336	-	222,612
177 REPARATIONS FUND	-	400,000	400,000	400,000	-	-
178 SUSTAINABILITY FUND	-	-	-	-	-	-
180 GOOD NEIGHBOR FUND	903,532	1,000,000	1,000,000	1,000,000	-	-
185 LIBRARY FUND	7,476,666	8,331,744	8,657,611	8,657,612	-	325,868
186 LIBRARY DEBT SERVICE FUND	452,261	482,243	506,625	506,625	-	24,382
187 LIBRARY CAPITAL IMPROVEMENT FD	94,525	449,000	680,000	680,000	-	231,000
200 MOTOR FUEL TAX FUND	3,071,253	4,366,987	5,343,987	5,343,987	-	977,000
205 EMERGENCY TELEPHONE (E911) FUND	1,586,442	1,524,371	1,719,210	1,720,546	1,336	196,174
210 SPECIAL SERVICE AREA (SSA) #9	591,950	575,000	575,000	575,000	-	-
215 CDBG FUND	1,698,646	2,756,197	3,684,820	3,685,622	801	929,425
220 CDBG LOAN FUND	120,964	175,000	175,000	175,000	-	-
240 HOME FUND	449,163	564,941	571,746	571,746	-	6,805
250 AFFORDABLE HOUSING FUND	1,138,467	2,529,244	2,505,091	2,505,625	534	(23,619)
320 DEBT SERVICE FUND	27,899,883	15,133,666	15,690,075	15,690,075	-	556,409
330 HOWARD-RIDGE TIF FUND	1,049,760	1,053,113	1,448,113	1,448,113	-	395,000
335 WEST EVANSTON TIF FUND	630,157	780,000	2,045,000	2,045,000	-	1,265,000
340 DEMPSTER-DODGE TIF FUND	166,643	170,923	173,833	173,833	-	2,910
345 CHICAGO-MAIN TIF	512,694	1,397,843	1,609,763	1,609,763	-	211,920
350 SPECIAL SERVICE AREA (SSA) #6	226,412	221,500	221,000	221,000	-	(500)
355 SPECIAL SERVICE AREA (SSA) #7	140,995	115,000	140,000	140,000	-	25,000
360 SPECIAL SERVICE AREA (SSA) #8	58,722	60,200	60,200	60,200	-	-
415 CAPITAL IMPROVEMENTS FUND	9,590,526	10,401,766	16,455,000	16,455,000	-	6,053,234
416 CROWN CONSTRUCTION FUND	9,143,454	1,637,500	900,000	1,700,000	800,000	62,500
417 CROWN COMMUNITY CTR MAINTENANCE	-	-	-	-	-	-
420 SPECIAL ASSESSMENT FUND	477,990	989,314	1,114,938	1,114,938	-	125,624
505 PARKING SYSTEM FUND	13,431,285	11,251,334	11,818,740	11,819,381	641	568,047
510 WATER FUND	17,381,153	44,417,334	57,135,574	57,445,529	309,955	13,028,194
515 SEWER FUND	7,908,122	12,637,237	11,391,356	11,391,356	-	(1,245,881)
520 SOLID WASTE FUND	5,298,894	6,001,628	5,943,609	6,121,685	178,076	120,057
600 FLEET SERVICES FUND	2,446,607	3,182,673	3,302,117	3,311,128	9,010	128,454
601 EQUIPMENT REPLACEMENT FUND	2,216,620	1,600,000	2,000,000	2,750,000	750,000	1,150,000
605 INSURANCE FUND	18,188,029	20,218,087	19,956,351	19,956,351	-	(261,736)
700 FIRE PENSION FUND	10,548,207	11,030,300	11,543,287	11,543,287	-	512,987
705 POLICE PENSION FUND	13,843,030	14,701,000	16,114,448	16,114,448	-	1,413,448
All Fund Total	\$ 272,032,147	\$ 296,146,105	\$ 355,728,113	\$ 360,433,520	\$ 4,705,407	\$ 64,287,415

98-O-21

AN ORDINANCE

**Approving the 2022 Fiscal Year
Budget of the City of Evanston**

WHEREAS, 65 ILCS 5/8-2-9.1 *et seq.* and Title 1, Chapter 8 of the City Code, 2012, as amended, requires the City Manager to submit to the City Council a proposed budget for the ensuing fiscal year that presents a complete budget for revenues and expenditures plan for each fund; and

WHEREAS, in accordance with legal requirements, the City Manager submitted the proposed budget for the 2022 fiscal year to the City Council for its review and the required hearings on said budget were conducted and properly noticed under the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.*; and

WHEREAS, the City Council has reviewed the proposed budget, with a total expenditure amount of three hundred and sixty million, four hundred and thirty-three thousand, and five hundred and twenty dollars (\$360,433,520);

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: The foregoing recitals hereby found as fact and incorporated herein by reference.

SECTION 2: That the City Council hereby adopts the City of Evanston's 2021 fiscal year budget, with a total expenditure amount of three hundred and sixty million, four hundred and thirty-three thousand, and five hundred and twenty dollars (\$360,433,520), summarized in the document attached hereto as Exhibit A and

incorporated herein by reference, and hereby directs the City Manager to implement said budget.

SECTION 3: That this Resolution 98-O-21 shall be in full force and effect from and after its passage and approval in the manner provided by law.

Introduced: _____, 2021 Approved:

Adopted: _____, 2021 _____, 2021

Daniel Biss, Mayor

Attest:

Approved as to form:

Stephanie Mendoza, City Clerk

Nicholas Cummings, Corporation Counsel

EXHIBIT A

City of Evanston – Fiscal Year 2022 Adopted Budget Summary

Fund	2022 Adopted Budget
100 GENERAL FUND	117,890,983
170 AMERICAN RESCUE PLAN	30,400,000
175 GENERAL ASSISTANCE FUND	1,341,353
176 HUMAN SERVICES FUND	3,868,336
177 REPARATIONS FUND	400,000
178 SUSTAINABILITY FUND	-
180 GOOD NEIGHBOR FUND	1,000,000
185 LIBRARY FUND	8,657,612
186 LIBRARY DEBT SERVICE FUND	506,625
187 LIBRARY CAPITAL IMPROVEMENT FD	680,000
200 MOTOR FUEL TAX FUND	5,343,987
205 EMERGENCY TELEPHONE (E911) FUND	1,720,546
210 SPECIAL SERVICE AREA (SSA) #9	575,000
215 CDBG FUND	3,685,622
220 CDBG LOAN FUND	175,000
240 HOME FUND	571,746
250 AFFORDABLE HOUSING FUND	2,505,625
320 DEBT SERVICE FUND	15,690,075
330 HOWARD-RIDGE TIF FUND	1,448,113
335 WEST EVANSTON TIF FUND	2,045,000
340 DEMPSTER-DODGE TIF FUND	173,833
345 CHICAGO-MAIN TIF	1,609,763
350 SPECIAL SERVICE AREA (SSA) #6	221,000
355 SPECIAL SERVICE AREA (SSA) #7	140,000
360 SPECIAL SERVICE AREA (SSA) #8	60,200
415 CAPITAL IMPROVEMENTS FUND	16,455,000
416 CROWN CONSTRUCTION FUND	1,700,000
417 CROWN COMMUNITY CTR MAINTENANCE	-
420 SPECIAL ASSESSMENT FUND	1,114,938
505 PARKING SYSTEM FUND	11,819,381
510 WATER FUND	57,445,529
515 SEWER FUND	11,391,356
520 SOLID WASTE FUND	6,121,685
600 FLEET SERVICES FUND	3,311,128
601 EQUIPMENT REPLACEMENT FUND	2,750,000
605 INSURANCE FUND	19,956,351
700 FIRE PENSION FUND	11,543,287
705 POLICE PENSION FUND	16,114,448
All Fund Total	\$ 360,433,520

Final New/Held Position List 2022

Department	Title	FTE	Held or New	Cost	Status
CMO	Admin Assistant	1	Held Vacant 2021	105,000	Authorized for January 1, 2022
CMO	Equity Coordinator	1	Held Vacant 2021	101,000	Hold to July 1, 2022
CMO	Senior Accountant	1	Held Vacant 2021	115,000	Hold to July 1, 2022
Law	Assistant City Attorney	1	Held Vacant 2021	115,000	Authorized for January 1, 2022
Admin	PEO PT	0.5	Held Vacant 2021	49,000	Authorized for January 1, 2022
Admin	Facilities Maint Worker III	1	Held Vacant 2021	97,000	Authorized for January 1, 2022
Admin	Parking Operations Coordinator	1	Held Vacant 2021	86,000	Authorized for January 1, 2022
CD	Plan Reviewer (now Permit Services Specialist)	1	Held Vacant 2021	91,000	Filled
CD	Plan Reviewer	1	Held Vacant 2021	103,000	Hold to July 1, 2022
Police	Police Commander	1	Held Vacant 2021	150,000	Authorized for January 1, 2022
Police	Police Commander	1	Held Vacant 2021	145,000	Filled as of 9/13/21
Police	Police Officer	1	Held Vacant 2021	98,000	Hold to July 1, 2022
Police	Records Input Operator	1	Held Vacant 2021	67,000	Authorized for January 1, 2022
Police	Service Desk Officer II	1	Held Vacant 2021	70,000	Authorized for January 1, 2022
Police	Service Desk Officer II	1	Held Vacant 2021	70,000	Authorized for January 1, 2022
Police	Service Desk Officer II	1	Held Vacant 2021	70,000	Authorized for January 1, 2022
Police	Service Desk Officer I	1	Held Vacant 2021	64,000	Authorized for January 1, 2022
Fire	Administrative Assistant	1	Held Vacant 2021	95,000	Authorized for January 1, 2022
Fire	Firefighter/Paramedic	1	Held Vacant 2021	72,000	Filled
Health	Management Analyst	1	Held Vacant 2021	112,000	Authorized for January 1, 2022
PWA	Management Analyst	1	Held Vacant 2021	128,000	Filled
PWA	Forestry Worker I	1	Held Vacant 2021	82,000	Authorized for January 1, 2022
PWA	Streets Supervisor	1	Held Vacant 2021	148,000	filled
PWA	Parks/Forestry Worker III (Greenways)	1	Held Vacant 2021	100,000	Authorized for January 1, 2022
City Clerk	Deputy City Clerk	1	New Position	\$80,000	Authorized for January 1, 2022
Administrative Services	Facilities Maintenance Worker II	1	New Position	\$95,000	Removed from 2022 Budget
Administrative Services	Human Resources Specialist	1	New Position	\$100,000	Authorized for January 1, 2022
Administrative Services	Digital Services Specialist	1	New Position	\$100,000	Removed from 2022 Budget
Administrative Services	Facilities Maintenance Worker III - Crown	1	New Position	\$100,000	Hold to July 1, 2022
Administrative Services	Facilities Maintenance Worker III - Crown	1	New Position	\$100,000	Hold to July 1, 2022
Community Development	Permit Service Representative	2	New Position	\$148,000	Authorized for January 1, 2022
Community Development	Permit Desk Supervisor	1	New Position	\$130,000	Hold to July 1, 2022
Community Development	Customer Service Representative - Property Standards	1	New Position	\$86,000	Removed from 2022 Budget
Community Development	Planning & Zoning Manager	1	New Position	\$147,000	Removed from 2022 Budget
Community Development	Comprehensive Plan Coordinator	1	New Position	\$123,000	Removed from 2022 Budget
Health & Human Services	Environmental Health Inspector (Leaf blower enforcement)	1	New Position	\$90,000	Hold to July 1, 2022
Parks & Recreation	Recreation Manager - Chandler, Noyes, Gibbs	1	New Position	\$115,000	Removed from 2022 Budget
Parks & Recreation	Lakefront Recreation Manager	1	New Position	\$115,000	Authorized for January 1, 2022
Parks & Recreation	Custodian I - multiple buildings	1	New Position	\$70,000	Removed from 2022 Budget
Parks & Recreation	Assistant Recreation Manager - Crown	1	New Position	\$95,000	Hold to July 1, 2022
Parks & Recreation	Crown PT Custodians and Zamboni Driver	2.25	New Position	\$83,000	Authorized for January 1, 2022
Public Works Agency	Forestry Crew Leader	1	New Position	\$120,000	Removed from 2022 Budget
Public Works Agency	Equipment Operator II - Streets	1	New Position	\$105,000	Removed from 2022 Budget
Public Works Agency	Arborist (Tree Preservation Ordinance)	1	New Position	\$110,000	Removed from 2022 Budget
Public Works Agency	Forestry Tree Services - Contractual Services		New Cost	\$127,000	Removed from 2022 Budget