



**Finance and Budget Committee**  
**Tuesday, October 11, 2022 @ 6:00 PM**  
Lorraine H. Morton Civic Center

**COMMITTEE MEMBER PRESENT:**

Shari Reiches, Resident, David Livingston, Resident, Leslie McMillan, Resident, Bobby Burns, Councilmember, Clare Kelly, Councilmember, Jonathan Nieuwsma, Councilmember, and Devon Reid, Councilmember

**COMMITTEE MEMBER ABSENT:**

Melissa Wynne, Councilmember

**STAFF PRESENT:**

Jessica Tapia, Finance Analyst, Hitesh Desai, Chief Financial Officer/Treasurer, and Clayton Black, Budget Manager

**1. CALL TO ORDER/DECLARATION OF A QUORUM**

Meeting was called to order by Chair David Livingston at 6:06 PM

**2. PUBLIC COMMENT**

**3. APPROVAL OF MINUTES**

A. Approval of the September 13, 2022 Finance & Budget Committee minutes

Minutes approved

Moved by Councilmember Reid

Seconded by Councilmember Kelly

**Ayes:** Committee Member Reiches, Committee Member Livingston, Committee Member McMillan, Councilmember Burns, Councilmember Kelly, Councilmember Nieuwsma, and Councilmember Reid

**Approved 7-0 on a recorded vote**

**4. CONSIDERATION**

A. Single Audit for FY 2021

Staff recommends Finance and Budget Committee review and place on file the Single Audit report for the fiscal year ending December 31, 2021. This report will be presented to the City Council on October 24.

Moved by Councilmember Reid  
Seconded by Councilmember Kelly

**Ayes:** Committee Member Reiches, Committee Member Livingston, Committee Member McMillan, Councilmember Burns, Councilmember Kelly, Councilmember Nieuwsma, and Councilmember Reid

**Carried 7-0 on a recorded vote**

Item was reviewed and placed on file by Finance & Budget Committee

## **5. DISCUSSION**

### **A. 2023 Budget Discussion**

Clayton Black, Budget Manager and CFO Hitesh Desai, presented on the 2023 Budget and highlighted several major items. CFO Desai mentioned that staff is recommending that the City incrementally increase the General Fund fund balance reserve policy from 16.66% to 20% through 2024 as part of the proposed budget. There were questions amongst the committee regarding why this would be necessary. Staff stated that this provides the City with financial flexibility to retain staff and maintain operations when something like the pandemic happens. Communities with stronger fund balance policies are also more likely to be AAA rated, which means better rates when they issue bonds.

Councilmember Kelly would like to only see a property tax levy increase if it is funding the additional pension fund obligation. CFO Hitesh Desai stated that the City of Evanston has contributed to public safety pensions over what is required by state statute.

There were questions about how Capital Improvement Projects are prioritized. Staff stated there would be a City Council presentation on this topic on October 17, 2022.

## **6. ADJOURNMENT**

Meeting was adjourned by Chair David Livingston at 8:36 PM