



2024 Proposed Budget Overview

Joint Ward Meeting Presentation

2025 Proposed Budget – Calendar

- **Friday, October 4:** Proposed Budget available on City website
- **Tuesday, October 8:** Budget Discussion at Finance and Budget Committee
- **Monday, October 14:** Budget Discussion at City Council
- **Monday, October 28:** Budget Public Hearing at City Council
- **Tuesday, October 29:** Budget Discussion at Finance and Budget Committee
- **Wednesday, October 30:** Budget Ward Meeting (1st/6th/7th)
- **Monday, November 4:** Truth in Taxation Public Hearing at City Council
- **Wednesday, November 6:** Budget Ward Meeting (2nd/5th/8th)
- **Thursday, November 7:** Budget Ward Meeting (3rd/4th/9th)
- **Monday, November 11:** Introduction of Tax Levy Ordinances
- **Tuesday, November 12:** Budget Discussion at Finance and Budget Committee
- **Monday, November 25:** Target Adoption of Budget by City Council

Topics

- City of Evanston Budget Structure
- Overall Budget
- General Fund Budget
- Property Taxes
- Fee Increases
- Budget Priorities
- Menu of Options

Breaking Down the Budget

The City's Budget is divided into **39 funds** and organized by **departments**.

- **Funds** - Largest financial unit of the budget.
 - Ex. General Fund, Water Fund, TIF Funds.
- **Departments** - Functional unit of government.
 - Ex. Police, Fire, Parks and Recreation

Breaking Down the Budget

Types of Funds:

- **General** - General operating fund and Human Services fund
- **Library** - Funds supporting Evanston Public Library
- **Capital Funds** - Major infrastructure projects (parks, roads, facilities, etc.)
- **Enterprise Funds** - Funds supported by user fees (Parking, Water, Sewer, Solid Waste)

Breaking Down the Budget

Types of Funds:

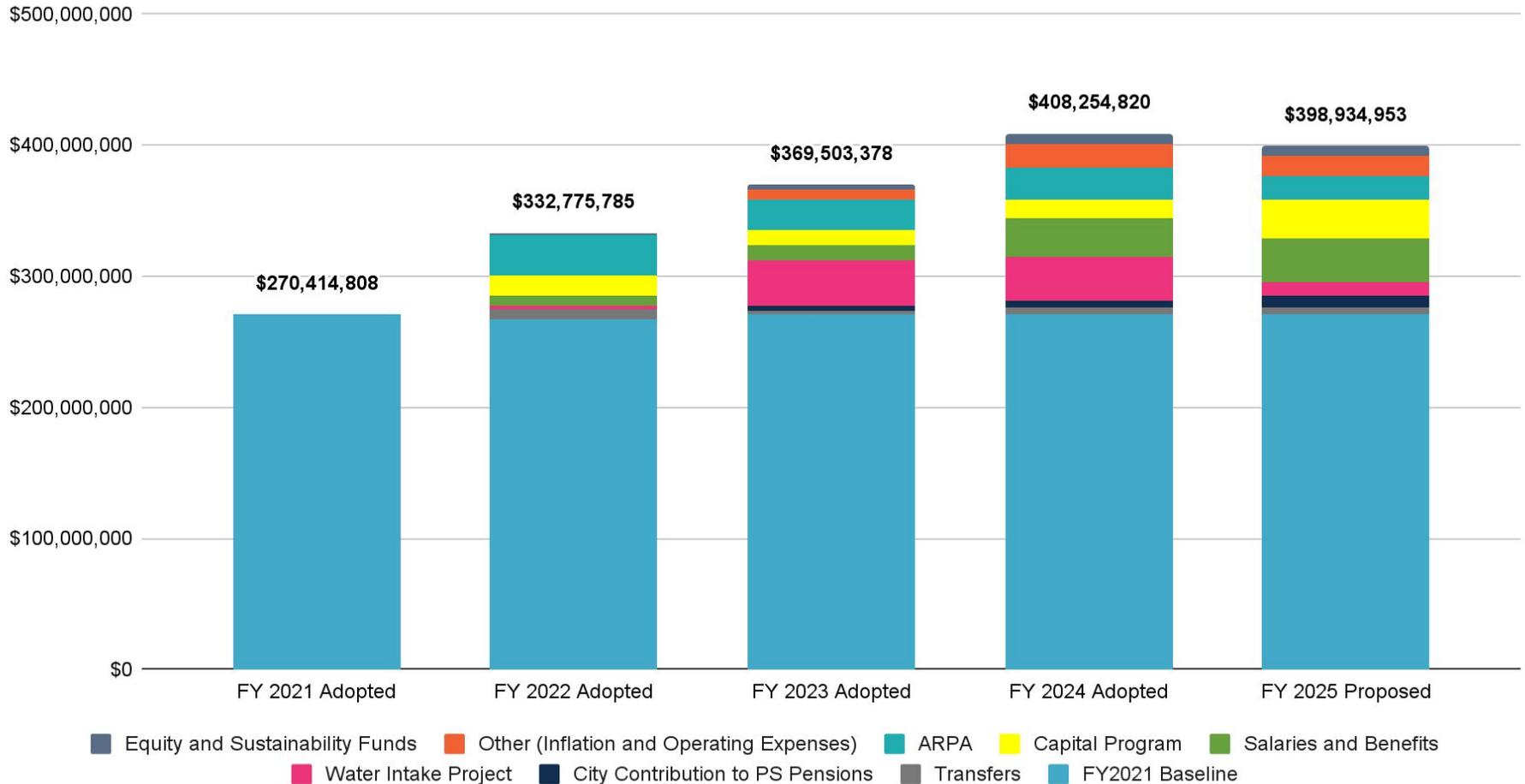
- **Special Revenue and TIF Funds** - To track funding from specific state and federal grants sources
- **Internal Services** - Funds that serve city operations, supported by transfers from all other funds. Ex. Fleet Maintenance, Insurance Fund
- **Debt Service Funds** - For annual payments on City bonds
- **Police and Fire Pension Funds (budgeted separately)** - Pension funds held in trust by the City, controlled by separate Pension Boards.

Overall Budget

- **Total FY 2025 Proposed Budget = \$342.2 million.**
(excluding \$56.8 million in operating transfers out)
- **Total FY 2024 Adopted Budget = \$355.5 million.**
(excluding \$52.8 million in operating transfers out)
- **Decrease of \$13.4 million (excluding transfers)**
 - Water Intake Project - \$23.8 million
 - ARPA - \$7 million
 - Capital Fund + \$16.2 million
 - Salaries and Wages + \$4.5 million
 - Other - \$3.3 million

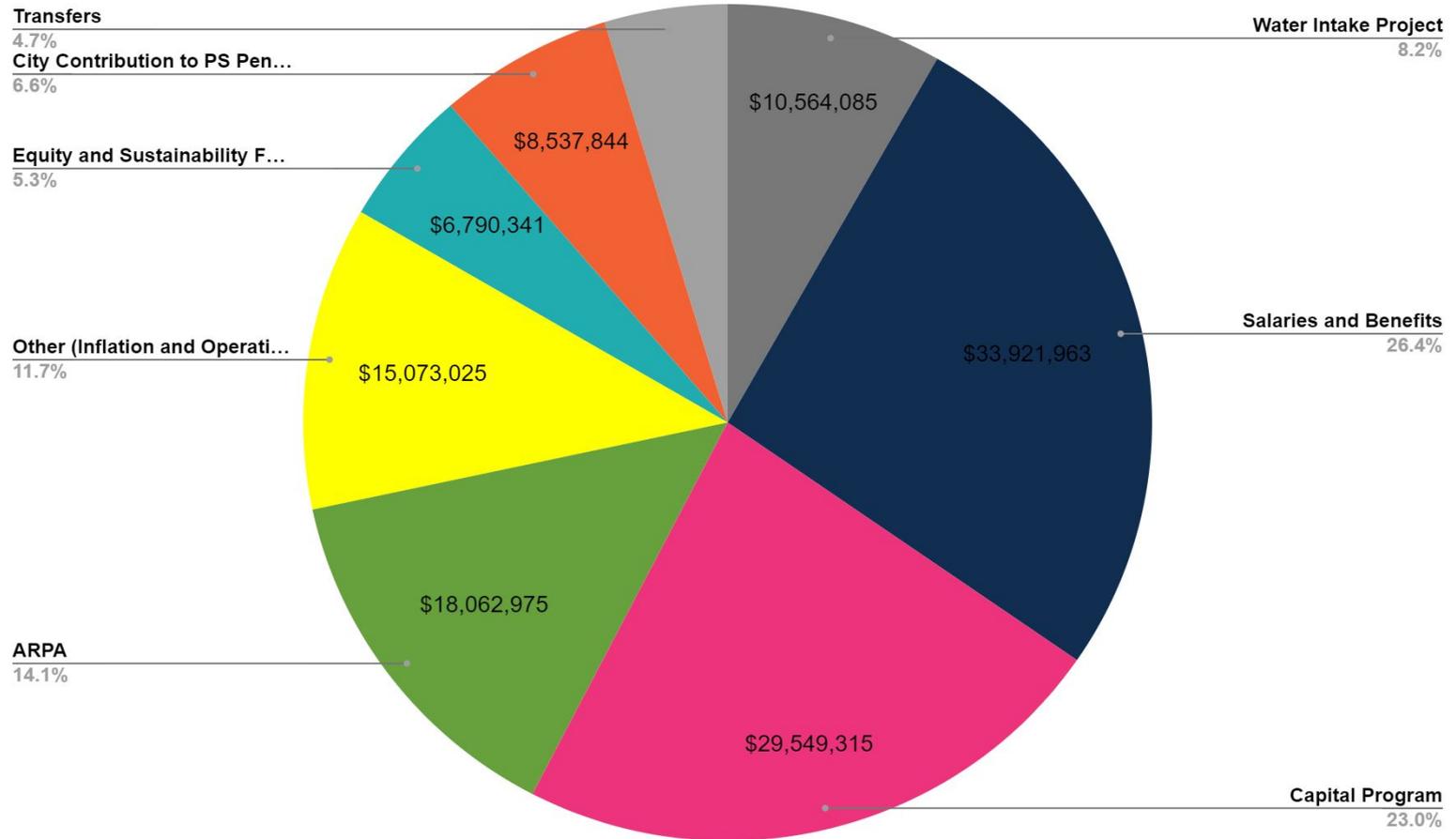
Overall Budget

Reasons for Budget Increases FY 2021 - FY 2025



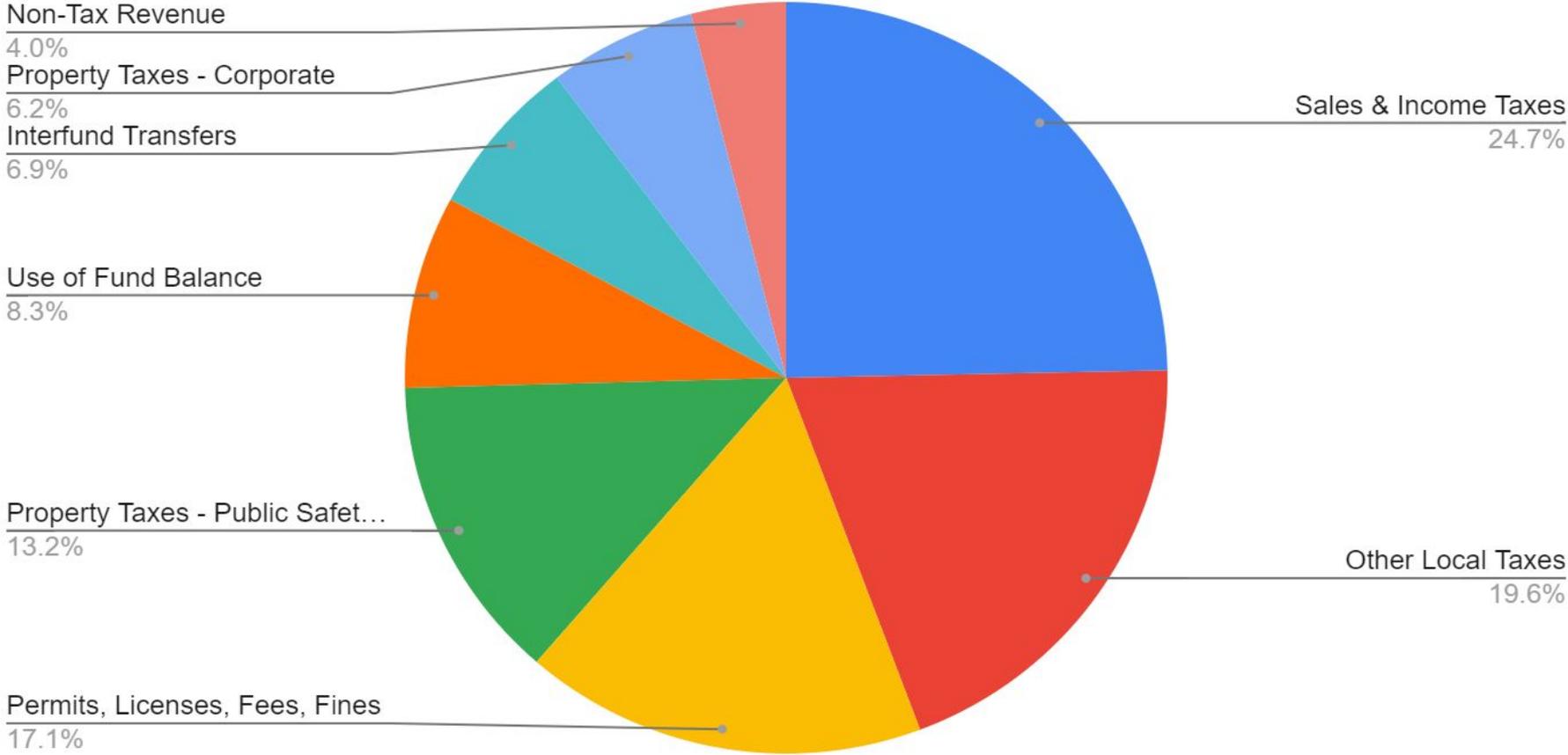
Overall Budget

Reasons for Budget Increases FY 2021 - FY 2025



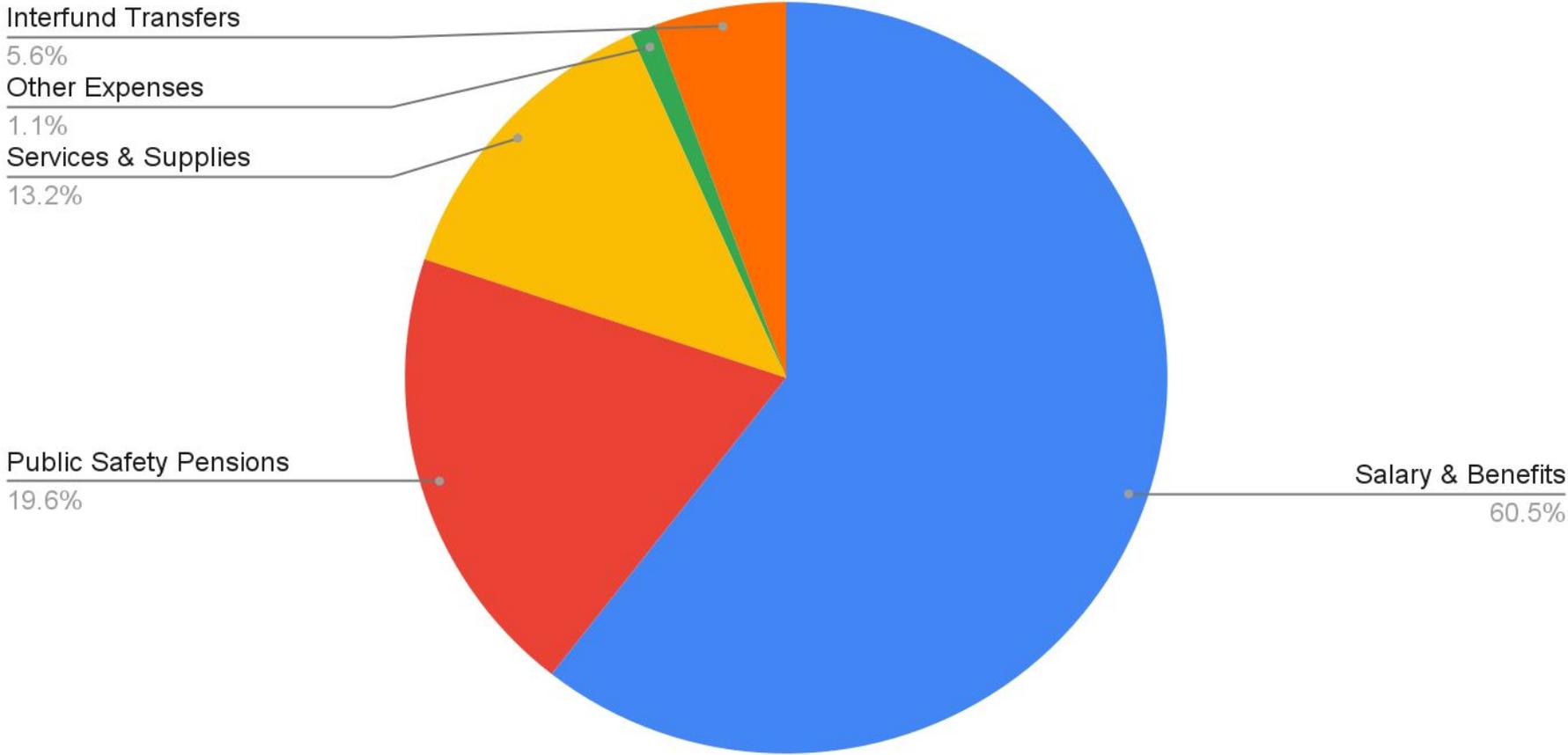
General Fund

General Fund Revenue Budget by Type (FY 2025)



General Fund

General Fund Expense Budget by Type (FY 2025)



General Fund

- **Public Safety Pensions** - Required annual contribution increases by \$4 million to \$29.6 million with a property tax levy of \$20 million.
- **Wage Increases** - Budget includes contractual and non-union wage increases.
- **New Positions** - Three new positions with two offset by reduction in contractual services and additional revenue.
- **Operating Requests** - Increase of just 0.1% as all new operating requests have been offset by reductions in other areas.

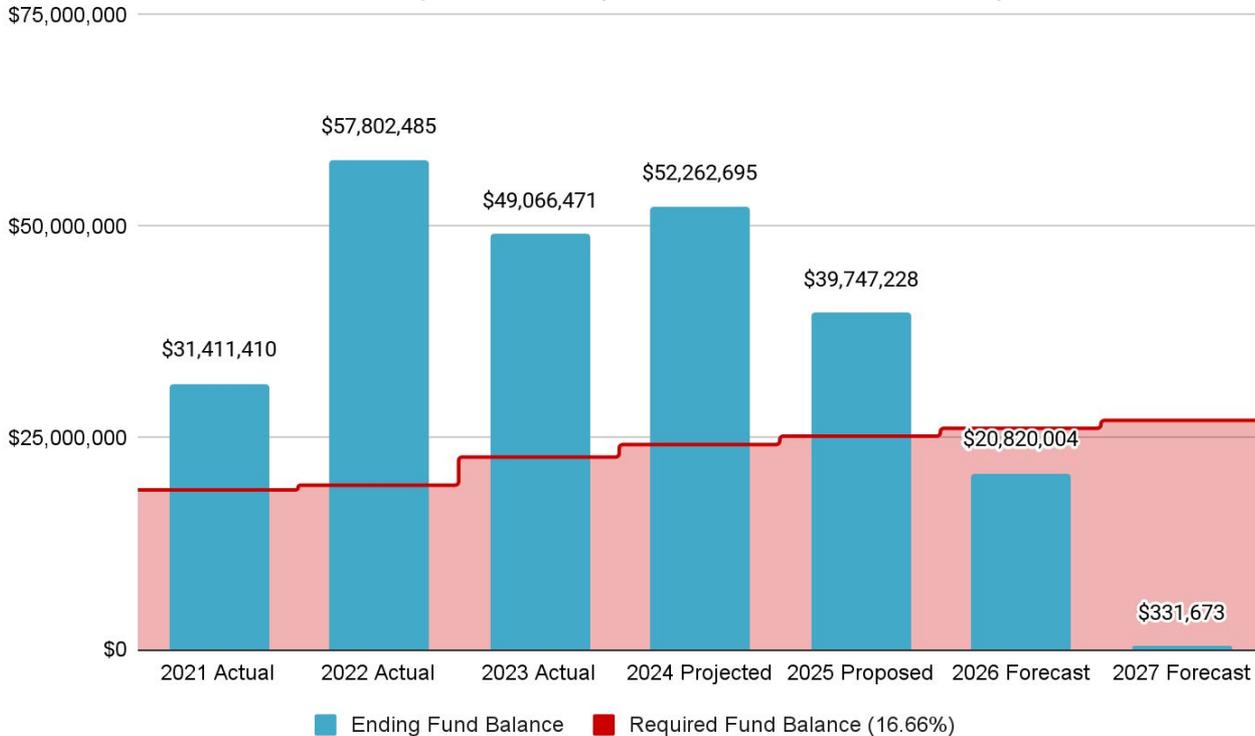
General Fund

Budget Balancing Worksheet (FY 2025)

General Fund Summary	Revenues	Expenses	Net
Baseline General Fund	137,262,935	144,295,723	(7,032,788)
Proposed General Fund Changes (detail below)	14,050,000	6,982,679	7,067,321
Proposed General Fund Budget	151,312,935	151,278,402	34,533
Proposed General Fund Changes	Revenues	Expenses	Notes:
<u>City-Wide Changes</u>			
GF Fund Balance	\$12,550,000		
NW Good Neighbor Revenue	\$1,500,000		
Vacancy Savings (4% --> 6%)		-\$1,813,966	
Transfer to Equipment Replacement Fund		-\$1,500,000	
2024 Required Pension Contribution		\$5,580,079	
2025 Required Pension Contribution		\$4,026,160	
Additional Police overtime and comp time per contract		\$500,000	
New Position - Manager of Field Services (Salary & Benefits)		\$190,406	

General Fund

General Fund Balance Projections (FY 2021 - FY 2027)



- Assumes no increase to property tax levy and a very steady reduction to the staff vacancy rate.
- Accounts for contractual wage increases during this time and assumes economy based revenues hold stable.

Property Tax Levy

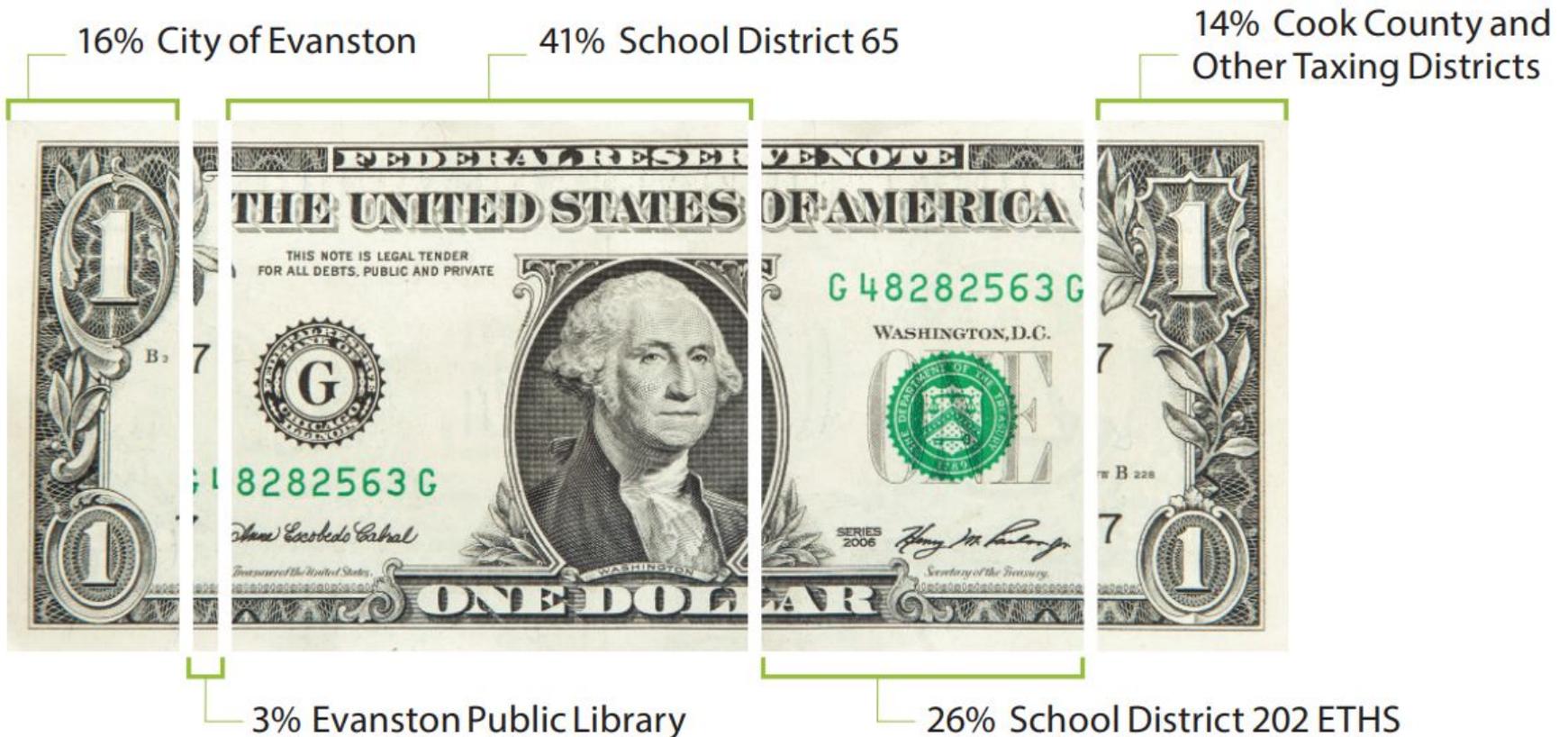
The property tax rate and tax levy are **not** the same.

- **Tax Levy:** Amount of money requested by the City and other taxing bodies (schools, county, etc.)
- **Tax Rate:** Tax levy divided by the total value of all properties in the City.

If property values increase, the tax levy can also increase with the rate remaining the same.

Property Tax Levy

For every dollar you pay in property tax, the City receives 16 cents.



Property Tax Levy

Community	2023 Composite Rate	2023 Municipality Rate	2023 Library Rate	2023 Park District Rate	Municipality + Library + Park District Rate	Municipality + Library + Parks as a % of the Composite Rate
Oak Park	10.811	1.622	0.482	0.521	2.625	24.28%
Palatine	9.825	0.978	0.353	0.649	1.98	20.15%
Arlington Heights	9.204	1.009	0.394	0.481	1.884	20.47%
Skokie	8.986	0.486	0.43	0.407	1.323	14.72%
Park Ridge	8.985	0.706	0.2	0.524	1.43	15.92%
Des Plaines	8.694	0.923	0.224	0.441	1.588	18.27%
Bloomington*	8.690	0.993	0.293	0	1.286	14.79%
Evanston*	8.066	1.298**	0.221	0	1.519	18.83%

*Bloomington and Evanston have a Parks and Recreation Department, not a separate taxing Park District

**Evanston Municipality rate also includes the General Assistance property tax levy

Property Tax Levy

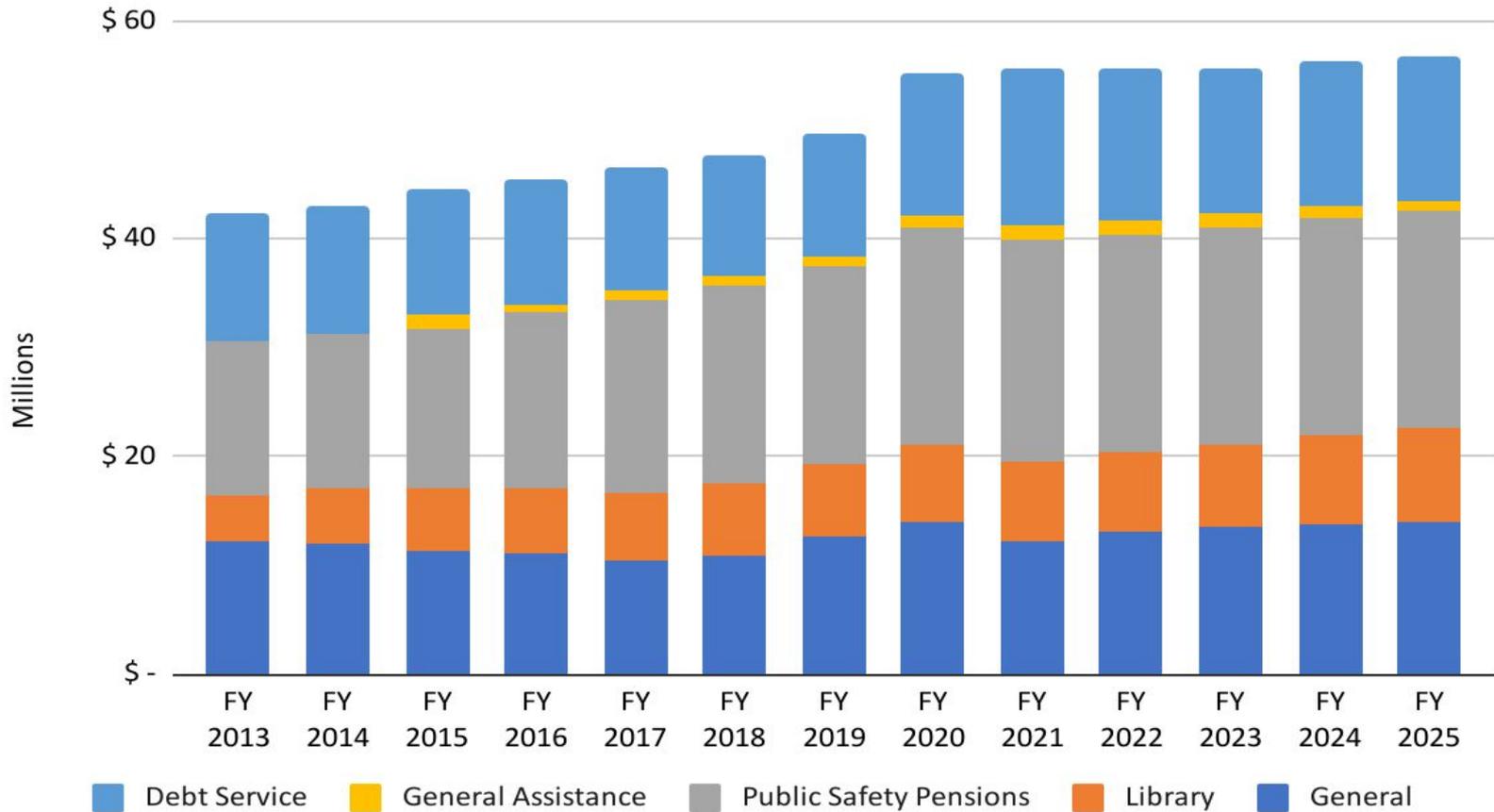
Community	Home Value	2023 Average Composite Rate	Approximate Tax Bill for Average Composite Rate	Approximate Property Tax towards Municipality + Library + Park District	Approximate Property Tax towards Elementary & Secondary School Districts	Approximate Property Tax Bill towards All Other Taxing Districts
Oak Park	\$500,000.00	10.811	\$16,304.61	\$3,958.89	\$10,136.28	\$2,209.44
Palatine	\$500,000.00	9.825	\$14,817.57	\$2,986.14	\$10,021.66	\$1,809.78
Arlington Heights	\$500,000.00	9.204	\$13,881.01	\$2,841.35	\$8,860.38	\$2,179.28
Skokie	\$500,000.00	8.986	\$13,552.24	\$1,995.28	\$10,243.35	\$1,313.60
Park Ridge	\$500,000.00	8.985	\$13,550.73	\$2,156.65	\$9,605.41	\$1,788.67
Des Plaines	\$500,000.00	8.694	\$13,111.86	\$2,394.94	\$8,860.38	\$1,856.53
Bloomington	\$500,000.00	8.690	\$13,105.82	\$1,939.48	\$7,807.69	\$3,358.65
Evanston	\$500,000.00	8.066	\$11,791.28	\$2,220.55	\$7,943.69	\$1,627.04

*Evanston Municipality rate also includes the General Assistance property tax levy

Note: Total taxes for all communities include the Cook County Homeowners exemption.

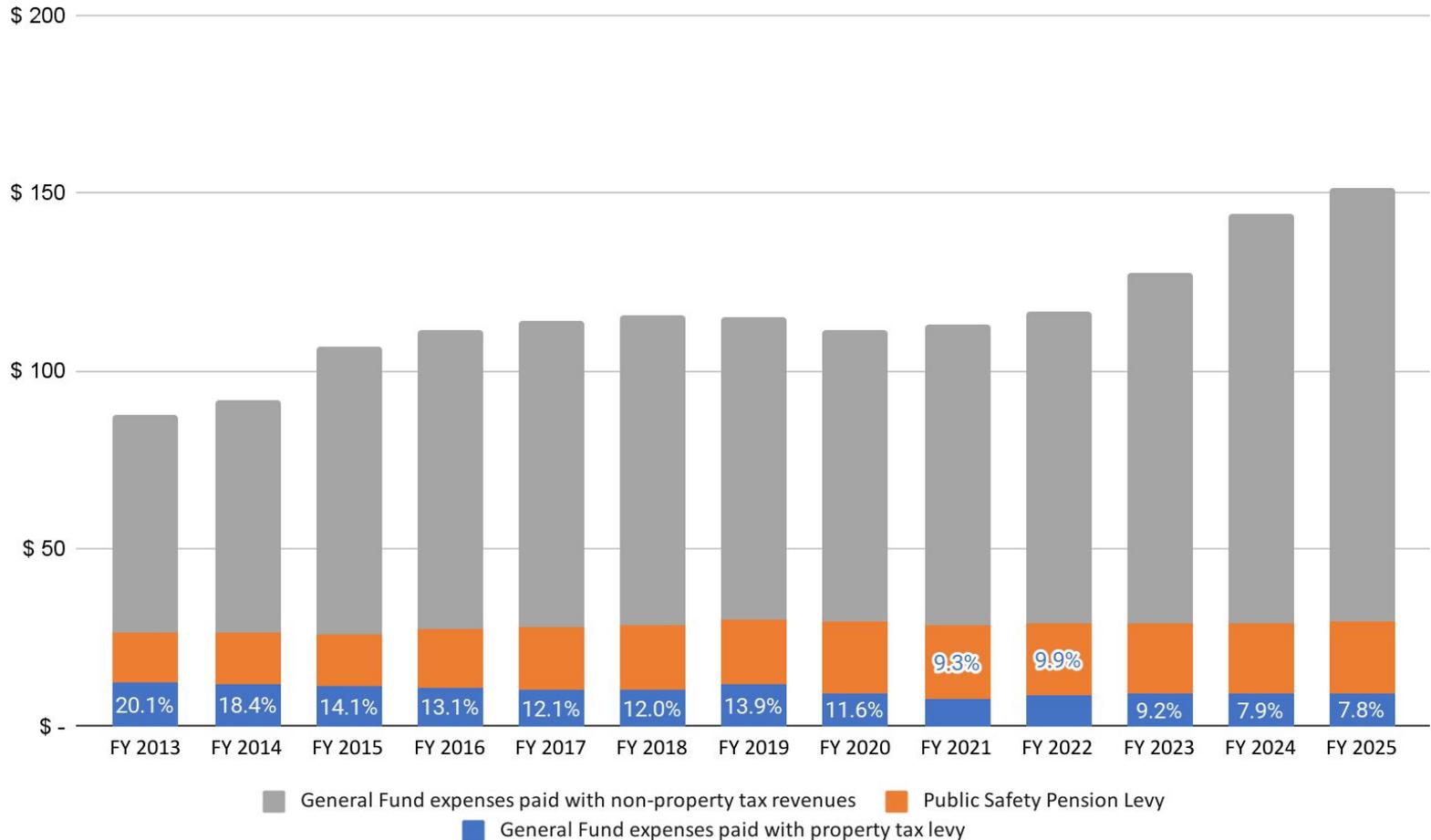
Property Tax Levy

Property Tax Levy (FY 2013 - FY 2025)



Property Tax Levy

Percent of General Fund Expenses Paid for with Property Tax (FY 2013 -FY 2025)



Property Tax Levy

Impact of Inflation

Gas

2019 - \$2.75/gallon

2024 - \$3.50/gallon (+27.3%)

Steel (per ton via State bid)

2019 - \$55.29/CWT

2024 - \$109.33 /CWT (+98%)

College

(Public Four Year In-State)

2019 - \$10,655

2024 - \$12,308 (+15.5%)

Fast Food

2019 - \$1.00

2024 - \$2.34 (+134%)

Disney World Annual Pass

2019 - \$1,219

2024 - \$1,549 (+27.0%)

City of Evanston

Property Tax Levy Per Resident

2019 - \$621.92

2024 - \$625.10 (+0.5%)

Property Tax Levy

	2022 Adopted Tax Levy	2023 Adopted Tax Levy	2024 Proposed Tax Levy	\$ Change	% Change
	(FY 2023)	(FY 2024)	(FY 2025)		
General Fund Tax Levy	9,057,297	9,057,297	9,449,797	392,500	4.3%
Human Services Fund	3,110,000	3,360,000	3,650,000	290,000	8.6%
General Assistance Fund	1,300,000	1,050,000	750,000	-300,000	-28.6%
Solid Waste Fund	1,332,500	1,332,500	950,000	-382,500	-28.7%
Debt Service (City)	12,878,258	12,766,093	12,766,093	0	0.0%
Fire Pension Fund	9,598,610	9,598,610	9,598,610	0	0.0%
Police Pension Fund	10,391,495	10,391,495	10,391,495	0	0.0%
Total City Levy	47,668,160	47,555,995	47,555,995	0	0.0%
Library Fund	7,535,472	8,213,664	8,624,347	410,683	5.0%
Debt Service (Library)	507,913	574,677	576,946	2,269	0.4%
Total Library Levy	8,043,385	8,788,341	9,201,293	412,952	4.7%
Total Levy (City and Library)	55,711,545	56,344,336	56,757,288	412,952	0.7%

Property Tax Levy

	2023 Adopted Tax Levy	2024 Levy			2024 Levy	
	(FY 2024)	If Reserves Not Available	% Change		Proposed Budget	% Change
General Fund Tax Levy	9,057,297	9,721,762	7.3%		9,449,797	4.3%
Human Services Fund	3,360,000	5,950,000	77.1%		3,650,000	8.6%
General Assistance Fund	1,050,000	1,000,000	-4.8%		750,000	-28.6%
Solid Waste Fund	1,332,500	1,332,500	0.0%		950,000	-28.7%
Debt Service (City)	12,766,093	14,159,314	10.9%		12,766,093	0.0%
Fire Pension Fund	9,598,610	13,810,918	43.9%		9,598,610	0.0%
Police Pension Fund	10,391,495	15,785,426	51.9%		10,391,495	0.0%
Total City Levy	47,555,995	61,759,920	29.9%		47,555,995	0.0%
Library Fund	8,213,664	8,624,347	5.0%		8,624,347	5.0%
Debt Service (Library)	574,677	576,946	0.4%		576,946	0.4%
Total Library Levy	8,788,341	9,201,293	4.7%		9,201,293	4.7%
Total Levy (City and Library)	56,344,336	70,961,213	25.9%		56,757,288	0.7%

Other Fee Adjustments

Fee	Change	Reason	Impact on Evanston Resident
Water (Proposed)	+23.3%	Covers the cost of water main replacement, lead service line replacement.	\$5/month for the average Evanston water/sewer customer
Sewer (Proposed)	-13.5%	Less sewer infrastructure capital needs and fund balance reserve.	
Solid Waste (Approved)	+7.5%	Covers a portion of wage increases for staff and increases in cost of equipment and services.	\$22.50/year for those with 95 gallon cart.

Capital Improvement Plan

Fund	FY 2025 Proposed	FY 2025 Prioritized (10/14/24)
187- Library Fund	\$1,900,000	\$1,900,000
200- Motor Fuel Tax Fund	\$4,117,185	\$4,117,185
215- CDBG Fund	\$1,160,000	\$1,160,000
335- West Evanston TIF Fund	\$1,560,790	\$1,560,790
365- Five Fifths TIF Fund	\$40,520	\$40,520
415- Capital Improvements Fund	\$28,771,000	\$23,641,000
420- Special Assessment Fund	\$1,650,000	\$1,650,000
505 - Parking Fund	\$2,600,000	\$2,600,000
510- Water Fund	\$41,970,905	\$41,970,905
515- Sewer Fund	\$2,740,000	\$2,740,000
Pass Through Grants	\$250,000	\$250,000
Total	\$86,760,400	\$81,630,400

Budget Priorities

The City Council has set the following goals for 2023 to 2025. As part of each goal, the City Council has emphasized that equity be a key objective in achieving each objective.

- **Housing** — Expand the supply of safe and affordable housing in every neighborhood of Evanston.
- **CARP** — Achieve Evanston’s 2025 Climate Action and Resilience Plan [goals](#).
- **Economic Development** — Invest in and bolster Evanston’s unique identity and culture. Foster growth and stability for existing and new Evanston businesses. Ensure pathways to economic growth for residents.
- **Finance** — Responsible and sustainable stewardship of city assets.
- **Public Safety** — Ensure Evanston is safe and welcoming to all. Implement best practices and policies and develop coordinated alternative public safety responses.
- **Public Health** — Make significant and measurable progress toward addressing [E-plan priorities](#).

Menu of Options

- Staff has compiled a list of 38 ideas to address the structural deficit and use of fund balance.
- Can explore any combination of these with the Finance and Budget Committee and City Council as part of this budget or next year.
- <https://www.cityofevanston.org/home/showpublisheddocument/97226/638636409521249423>