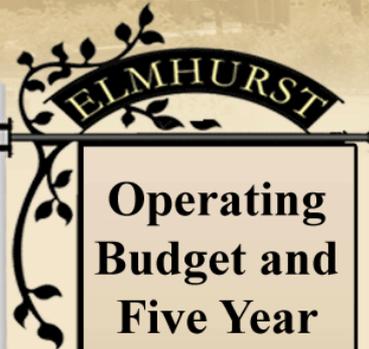


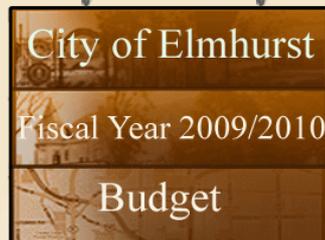


Budget Review

Revenues and
Expenses



**Operating
Budget and
Five Year
Capital
Expenditure
Budget**



City of Elmhurst
General Fund Budget Cuts and Adjustments
FY 2009/10

Budget Cuts and Adjustments for FY 2009/10

Hiring review/freeze and overtime (Vacancy of 4 full time, 6 part time and 4 interns)

Throttled salary increases

Reduced Public Works seasonal by 50%

Additional distribution of General Fund salaries to Municipal Utility Fund

Increased rubbish fees due to additional allocation of administrative and operational expenses

Elimination of out of state conferences/travel

Reduction in employee relations and training

Eliminated membership in DuPage Convention & Visitors Bureau

Reduced contract inspections - Hospital

Eliminated 5:00 - 7:00 p.m. City Hall hours - 1st and 3rd Mondays

Reduced police and fire public education

Reduced Historical Museum exhibits and education programs

Eliminated business recruitment contract

Reduced street sweeping

Reduced General Fund contribution for street maintenance capital

Deferred vehicle/equipment replacement

Deferred computer (pc and laptops) replacement

Deferred video equipment replacement (Council Chambers)

Eliminated City contribution to sidewalk repair

Reduced sidewalk slabjacking program

Eliminated City contribution to parkway tree planting

Reduce Community Grant Program

Eliminated contingency account funds

Use of Working Cash (Rainy Day) Fund

**CITY OF ELMHURST
GENERAL FUND
Revenues and Expenditures and Changes in Fund Balance
(Fiscal Years Ended April 30)**

	2006/07 Actual	2007/08 Actual	2008/09 Estimated	Revised 2008/09 Estimated	2009/10 Proposed	Revised 2009/10 Estimated	2010/11 Proposed
Total Rev. and Other Sources	36,682,823	36,845,394	38,663,853	36,877,767	48,366,435	47,152,510	42,863,140
Total Exp. and Other Uses	37,072,964	39,310,520	41,762,899	40,745,934	48,256,713	48,689,313	47,050,961
Excess of Rev. and Other Sources over Exp. and Other Uses	(390,141)	(2,465,126)	(3,099,046)	(3,868,167)	109,722	(1,536,803)	(4,187,821)
Fund Balance Beginning of Year	13,810,741	13,420,600	10,955,474	10,955,474	7,856,428	7,087,307	5,550,504
Fund Balance End of Year	<u>13,420,600</u>	<u>10,955,474</u>	<u>7,856,428</u>	<u>7,087,307</u>	<u>7,966,150</u>	<u>5,550,504</u>	<u>1,362,683</u>

(2,415,646)

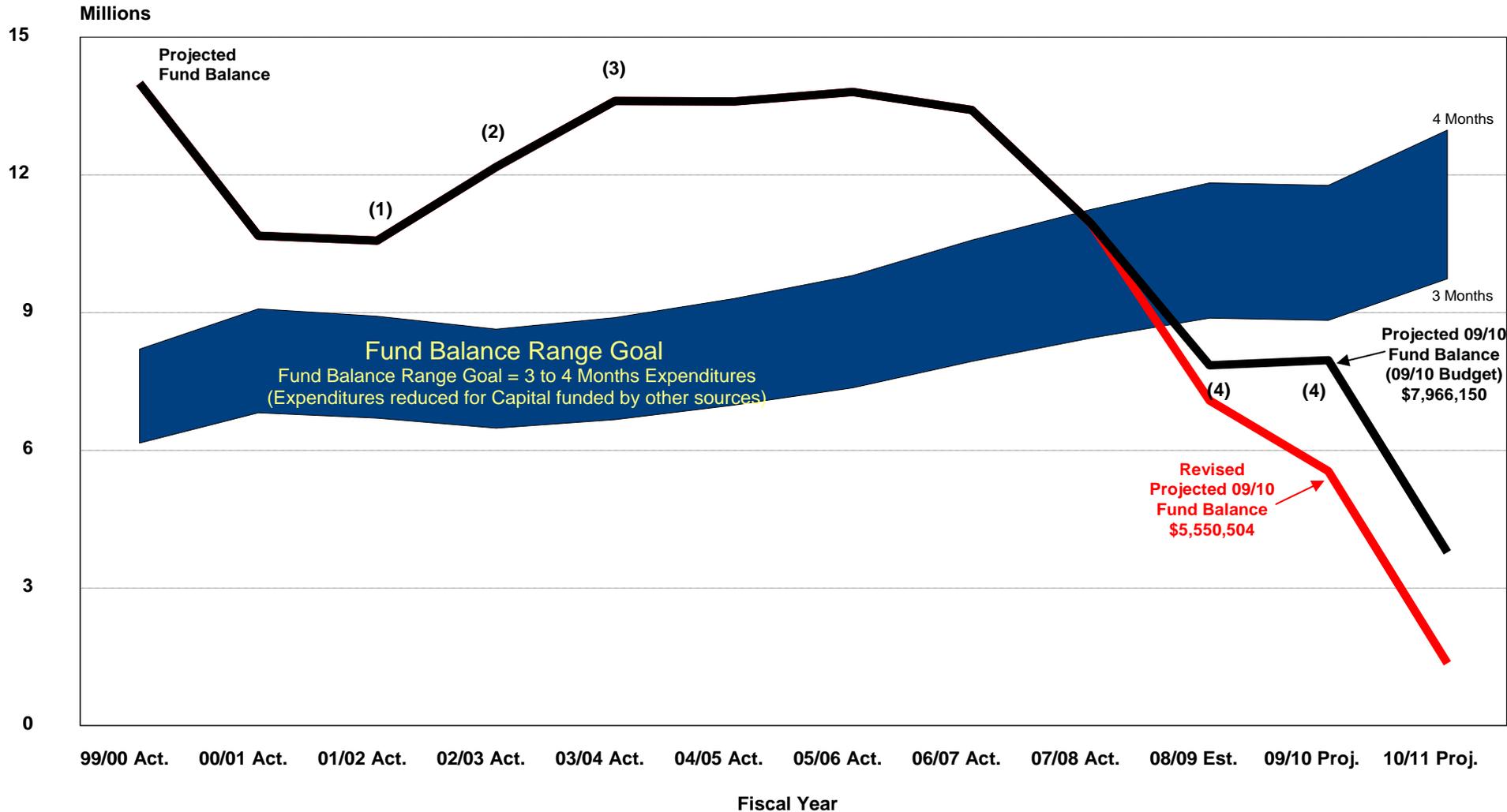
Negative variance in estimated General Fund Fund Balance from 09/10 proposed budget to revised 09/10 estimated
\$(769,121) + \$(1,646,525)

\$(769,121) variance in estimated use of General Fund fund balance from 2009/10 budget estimate to unaudited year end actual is due to the continued decline in General Fund revenues (mostly sales taxes) caused by the steep decline in the economy.

Revised estimated change in General Fund fund balance for FY 2009/10 (-\$1,646,525) reflects the continuation of the poor economy and a slower than anticipated recovery.

City of Elmhurst

Projected General Fund Balance Compared to Fund Balance Range Goal



- (1) Includes additional \$1,113,667 in fund balance due to change in accounting rules.
- (2) Includes additional \$769,596 in fund balance due to change in accounting rules and \$500,000 transfer in from MUF.
- (3) Includes additional \$571,500 in fund balance due to transfer in from Working Cash Fund.
- (4) Includes Working Cash Fund transfers to General Fund of \$250,000 in FY 2009 and \$700,000 in FY 2010.



**TARGET
DATE**

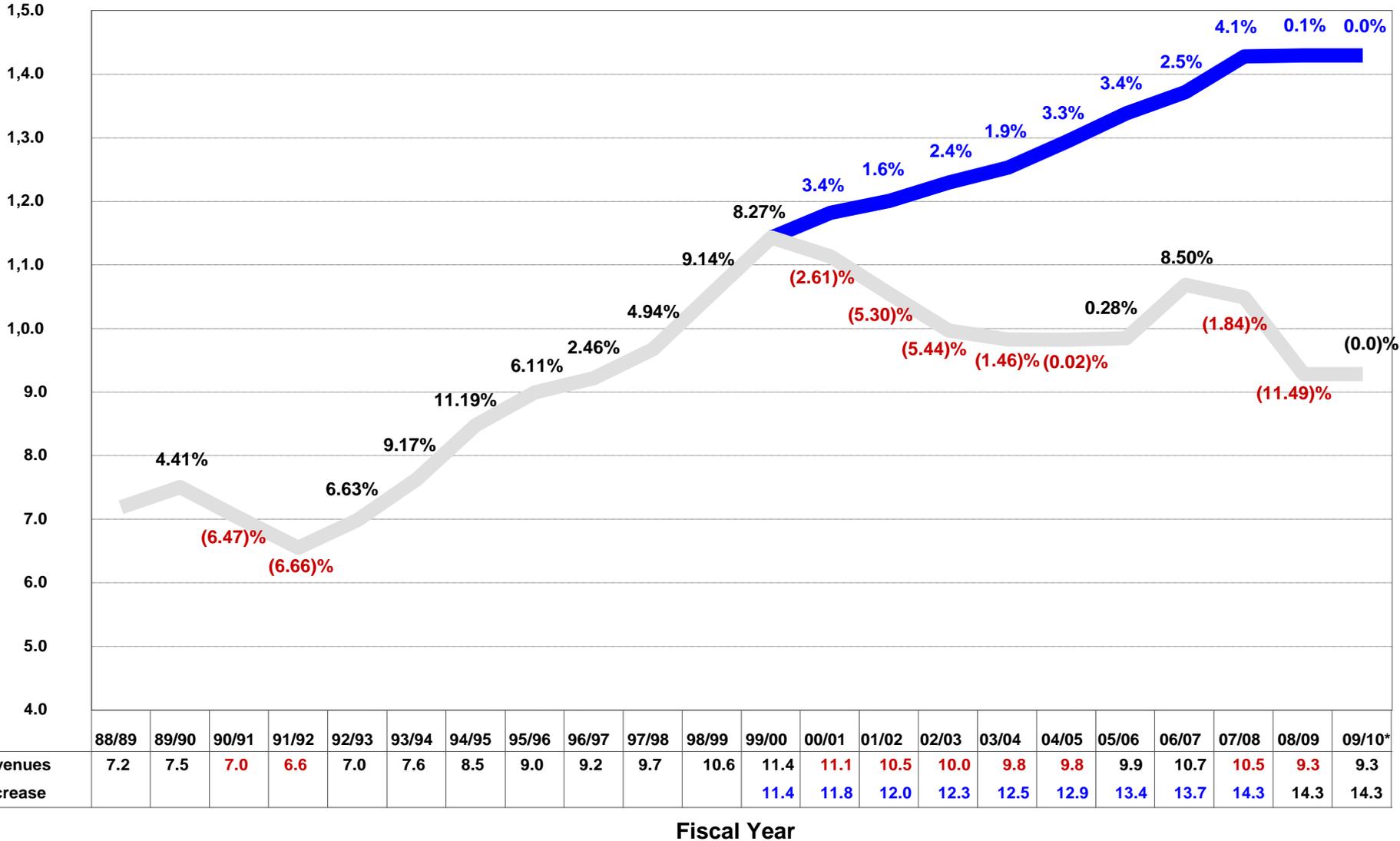
BUDGET ACTIVITY

08-24-09	City Mgr. memo to Mayor/City Council regarding budget and budget schedule.
09-15-09	Five Year Capital Exp. Budget (CEB) worksheets distributed to departments.
10-26-09	Five Year CEB due to Finance Department.
10-26-09	Mayor/City Council message to City Mgr. regarding budget goals for 2010-11.
10-26-09	Operating budget worksheets and guidelines delivered to department heads.
11-09-09	Finance Committee begins review of 2009 property tax levy.
12-07-09	Preliminary Five Year CEB distributed to Mayor and City Council.
12-07-09	Tax levy public hearing held, if necessary.
12-14-09	Operating budgets due to City Manager.
12-21-09	* City Council approves 2009 property tax levy. (Tax levy may be approved on December 7 th if public hearing is not required)
01-04-10	City Council reviews Five Year CEB.
03-01-10	Operating budget delivered to City Council.
03-15-10	Public hearing for 2010-11 operating budget.
04-05-10	* 2010-11 Operating budget approved.

* City Council action required.

CITY OF ELMHURST HISTORY OF MUNICIPAL 1% SALES TAX REVENUES

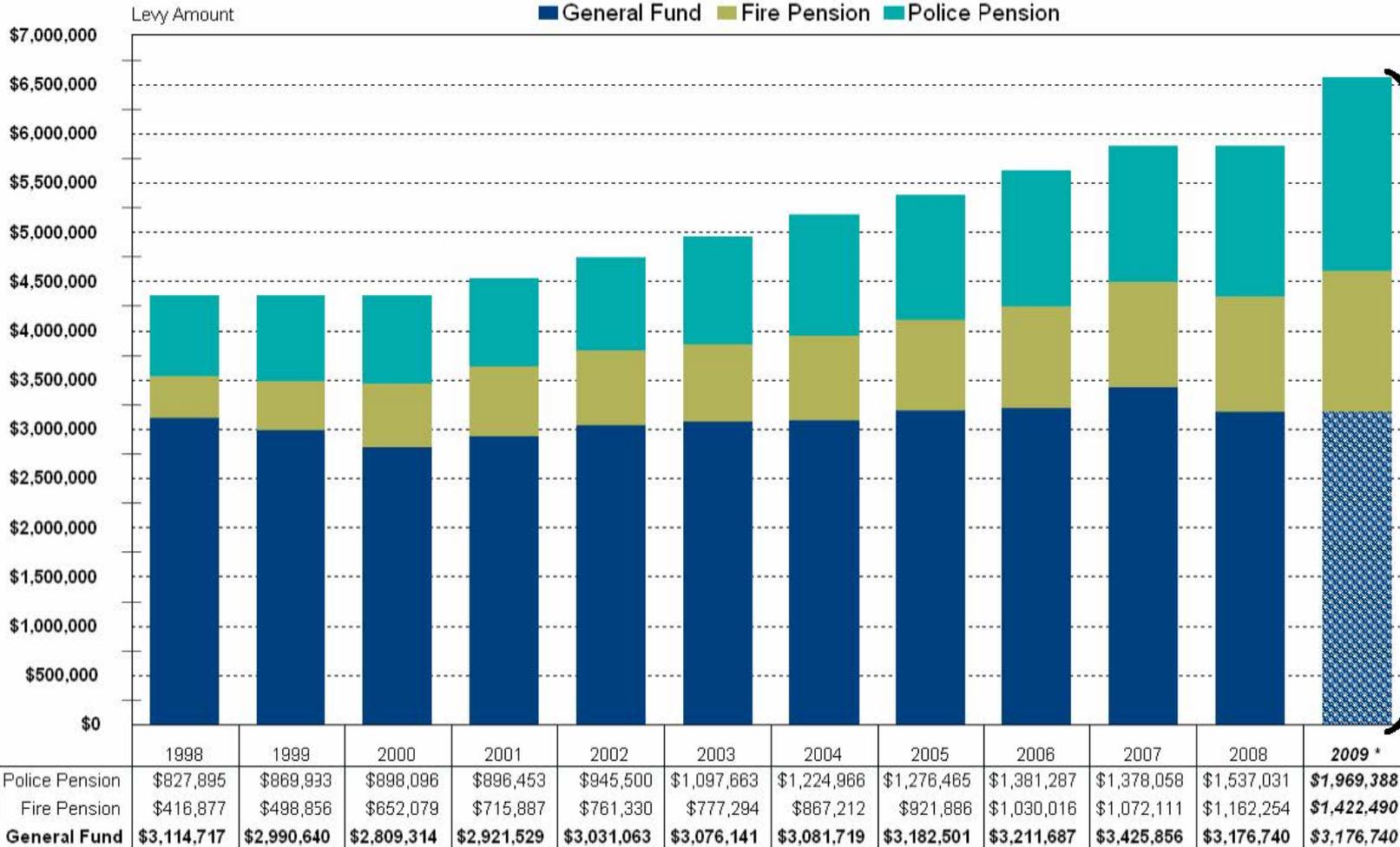
Sales Tax (Millions)



* 2009/10 Estimated

Note: Amounts do not include transfers out for local portion of TIF sales taxes

CITY OF ELMHURST Tax Levy History (1998 - 2008 Actual) (* 2009 Estimated)



* Assuming a flat General Fund levy in 2009 (identical to the 2008 levy) and using the increases to the police (28%) and fire (22%) pension levies from the 2009 actuarial valuation results, the total City levy will increase approximately 12%

Tax Levy Year

Actual Tax Levy Increase 1998 to 2008: General Fund - \$62,023 (2.0%); Fire Pension - \$745,377 (178.8%) and Police Pension - \$709,136 (85.7%)

**Comparison of
2008 City/Village
Property Tax Rates
(Including Fire Districts)
For DuPage County
Communities**

Rank	Community	City Rate	Fire District Rate	2008 Total Rate
1	Aurora	1.6116	-	1.6116
2	Glendale Heights	0.7129	0.6841	1.3970
3	Bensenville	0.6518	0.4663	1.1181
4	West Chicago	0.4240	0.6506	1.0746
5	Bartlett	0.6112	0.4290	1.0402
6	Addison	0.3767	0.6530	1.0297
7	Lisle	0.3566	0.5969	0.9535
8	Warrenville	0.5627	0.3834	0.9461
9	Wood Dale	0.3610	0.5830	0.9440
10	Itasca	0.3411	0.5713	0.9124
11	Woodridge	0.2337	0.5969	0.8306
12	Oak Brook Terrace	0.2409	0.4983	0.7392
13	Darien	0.2210	0.4854	0.7064
14	Elk Grove Village	0.7018	-	0.7018
15	Bolingbrook	0.6232	-	0.6232
16	Villa Park	0.6085	-	0.6085
17	Burr Ridge	0.1123	0.4854	0.5977
18	Hanover Park	0.5935	-	0.5935
19	Carol Stream	0.0000	0.5729	0.5729
20	Wheaton	0.5589	-	0.5589
21	Bloomington	0.1115	0.4465	0.5580
22	Clarendon Hills	0.5366	-	0.5366
23	Naperville	0.5178	-	0.5178
24	Roselle	0.5077	-	0.5077
25	Wayne	0.3190	0.1780	0.4970
26	Winfield	0.2186	0.2688	0.4874
27	Willowbrook	0.0000	0.4854	0.4854
28	Lombard	0.4560	-	0.4560
29	Westmont	0.4430	-	0.4430
30	Downers Grove	0.4423	-	0.4423
31	Glen Ellyn	0.3918	-	0.3918
32	Hinsdale	0.2745	-	0.2745
33	Elmhurst	0.2416	-	0.2416
34	Oak Brook	0.0000	-	-

Breakdown of Elmhurst Property Tax Bill 2008 Levy

City of Elmhurst - 5.27%

School District #205 - 71.30%

Township/C.O.D. - 5.46%

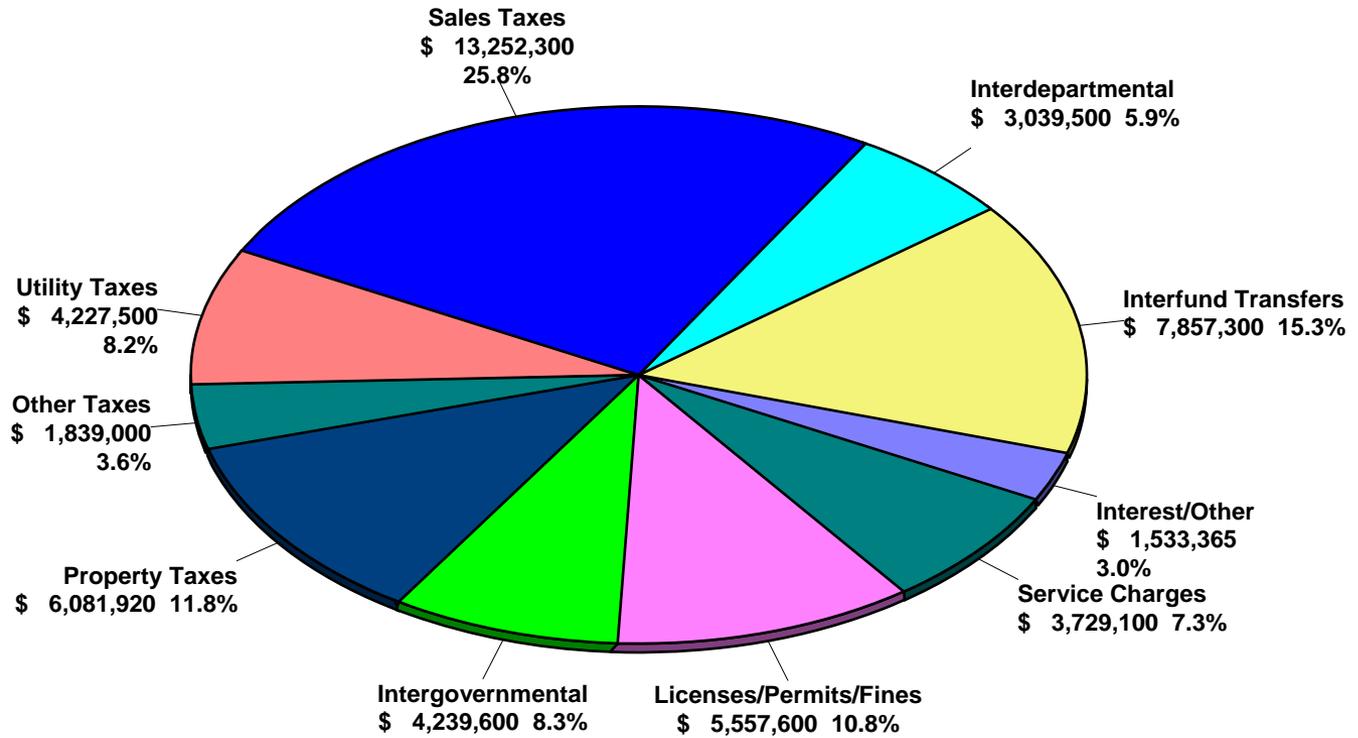
Elmhurst Park District - 5.92%

County Authorities - 6.37%

Elmhurst Public Library - 5.69%



**CITY OF ELMHURST
GENERAL FUND REVENUES
2009/2010 PROPOSED BUDGET**





City of Elmhurst

BUDGET SCENARIOS

Roadmap for Uncertain Times



Clerestory Consulting LLC
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Chicago, Illinois 60654
312.640.5777

www.clstory.com/gov



City of Elmhurst

BUDGET SCENARIOS

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Experience Examples	23



INTRODUCTION

Background

The ongoing economic situation has had a large impact on the City of Elmhurst's tax revenues. For the past ten years, even with improved operations and budget cuts, the city has dealt with budget shortfalls. This has meant relying on one time adjustments and fund balances to bridge the revenue and expenditure gap. Due to the severe and continuing impact of the economic downturn, fund balances are no longer sufficient to make up the difference between costs and decreasing revenues. The city expects that it will have to make difficult trade-offs during the 2010/11 budget cycle. In addition:

- The City of Elmhurst faced a **significant budget reduction for fiscal year 2009/10**; reductions were achieved primarily through cuts, budget deferrals, and use of savings
- Estimates forecast a potential budget gap of **\$4M-\$6M for fiscal year 2010/11**
- Tactics used in the previous budget cycle **will not be sufficient** to meet the budget gap of the magnitude forecasted
- Decisions could **compromise the city's long-term services and residents' expectations**



INTRODUCTION

Current Realities

In responding to the current situation, certain realities frame and impact decisions. For example, the city is limited by cuts that have already taken place, the make-up of remaining budgets, and the requirement to continue to deliver essential services. More specifically:

- **Salaries and benefits account for nearly 70% of the General Fund Operating Budget** -> *any substantial budget cuts will impact staffing, and therefore, services*
- **Number of staff and hours worked directly impacts the delivery of services** -> *layoffs and the reduction of hours will impact resident services*
- **Police and Fire budgets account for approximately 55% of the General Fund Operating Budget** -> *while these services must be preserved as much as possible, because they are such a large portion of the budget, substantial budget cuts will have some impact on these areas*
- **Significant equipment maintenance and replacements have been deferred in past budgets** -> *some maintenance and/or purchases cannot be further deferred requiring some spending in the near future; continuing to defer maintenance increases future spending and requires additional capital investment*

One of many challenges for city leaders is balancing the constraints, and possible opportunities, of these realities.



INTRODUCTION

Project Approach

To prepare for upcoming discussions and decisions, the Management Team of the City of Elmhurst partnered with Clerestory Consulting to identify opportunities to respond to the budget gap. The team looked at a wide-range of opportunities – not just budget cuts. The results of this project include alternatives for concerned citizens and elected officials to consider in determining the right approach for the community. Key activities of the project included:

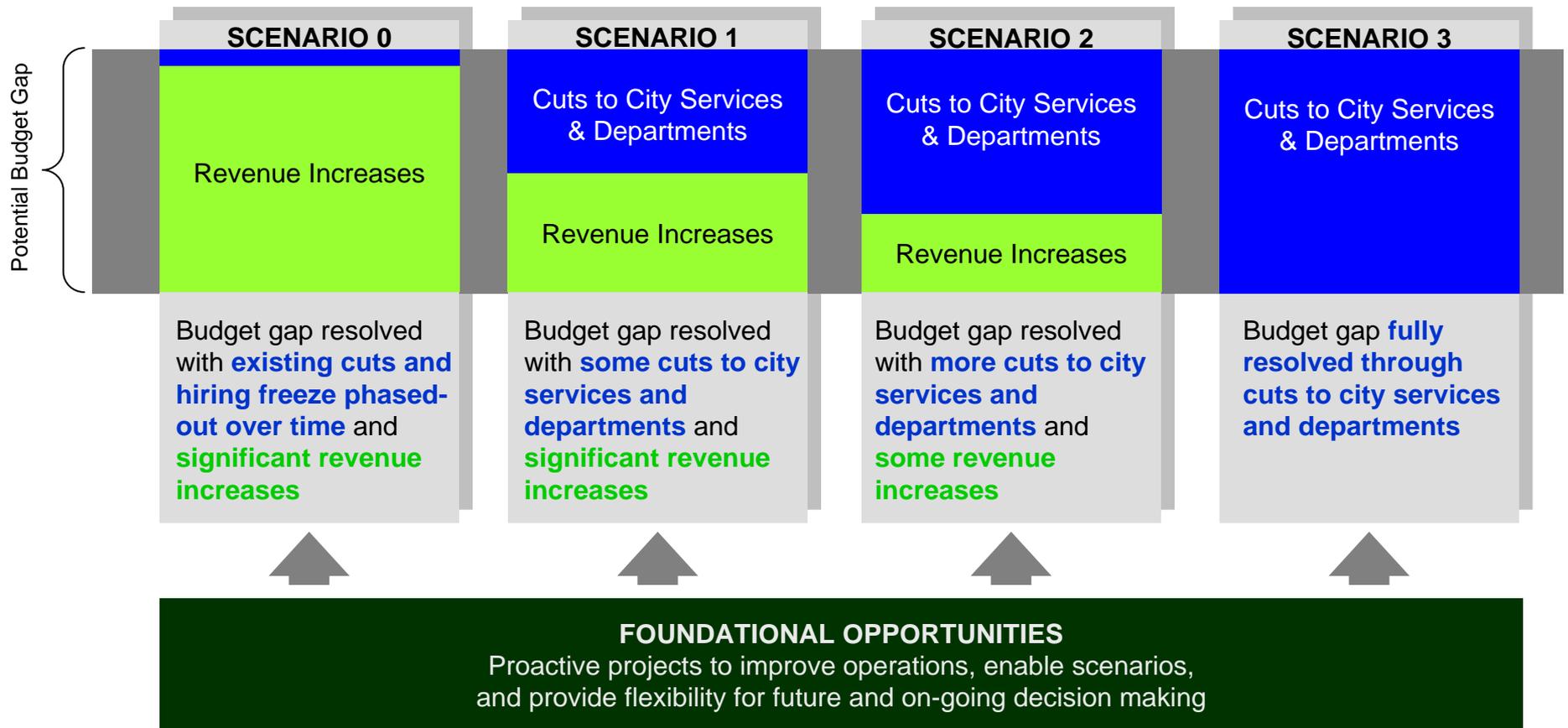
- **Identifying and evaluating opportunities** to address the current situation including a mix of budget cuts, revenue increases, and operational changes
- **Grouping opportunities** into either:
 - > Budget Scenarios
 - Targeted to budget shortfall amounts
 - Categorized by *Service Areas* (i.e., Highly Responsive Government, Safe Community, Cultural and Recreational Opportunities, Neighborhood Livability)
 - > Foundational Opportunities (*summarized in this document*)
 - Continued focus on improving operations and understanding service priorities consistent with culture of annual review
 - Recommended regardless of budget cuts
 - Used to proactively prepare for upcoming challenges and enable budget scenarios
- **Placing opportunities in the context** of their impact to constituents, services, budgets, and the long-term strength of the community



INTRODUCTION

Budget Scenarios and Foundational Opportunities

The identified Foundational Opportunities and Budget Scenarios provide fact-based options and actionable projects for responding to the economic downturn across a range of possible budget shortfalls. Details of each will be covered in upcoming pages, but are introduced below.

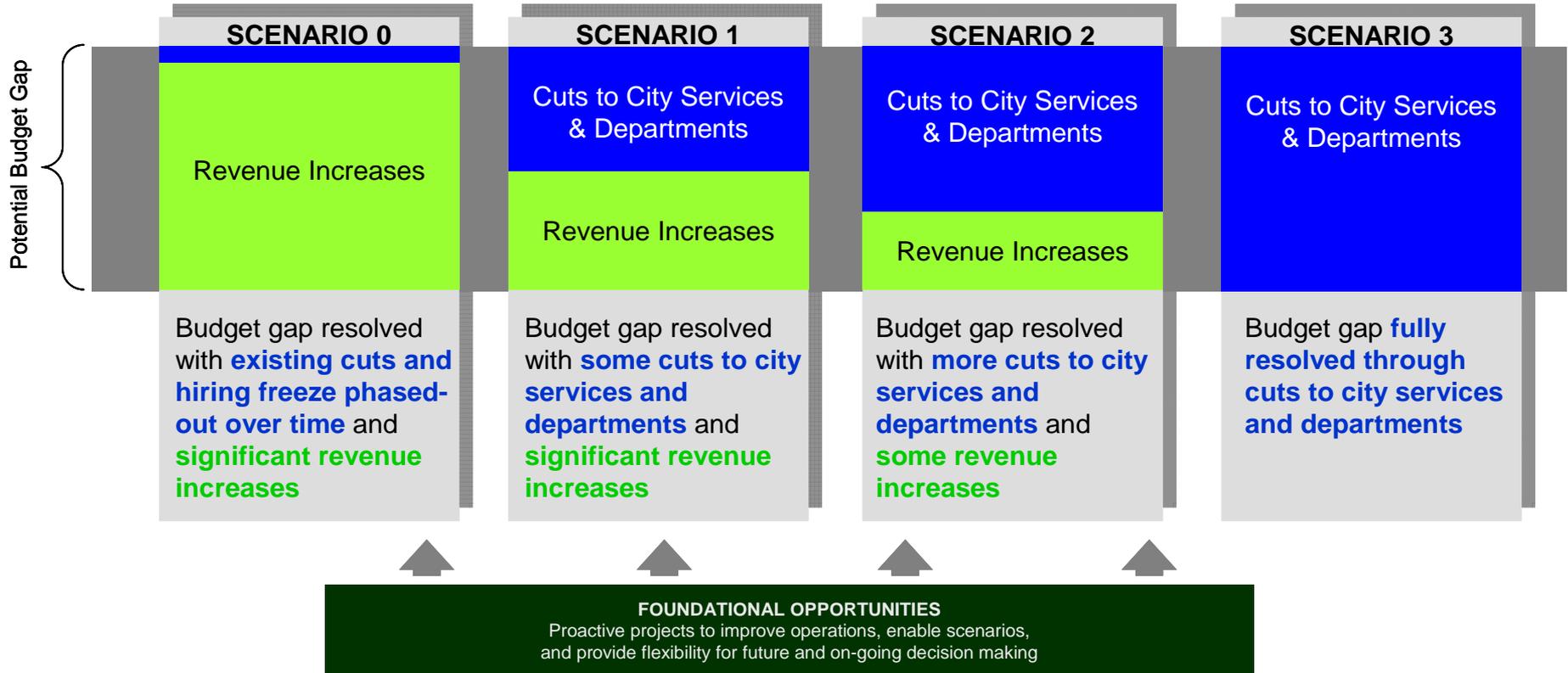




BUDGET SCENARIOS

Overview

Budget Scenarios were created to establish fact-based options for elected officials to use in determining what actions are best for the community. This advanced planning enables the city to pursue opportunities strategically with a bias towards service priority and criticality. Because the magnitude of future budget short-falls are only projections, and the likelihood of additional revenue cannot be guaranteed, the scenarios represent a range of budget cuts and revenue increases. Details for each scenario are described in upcoming pages.

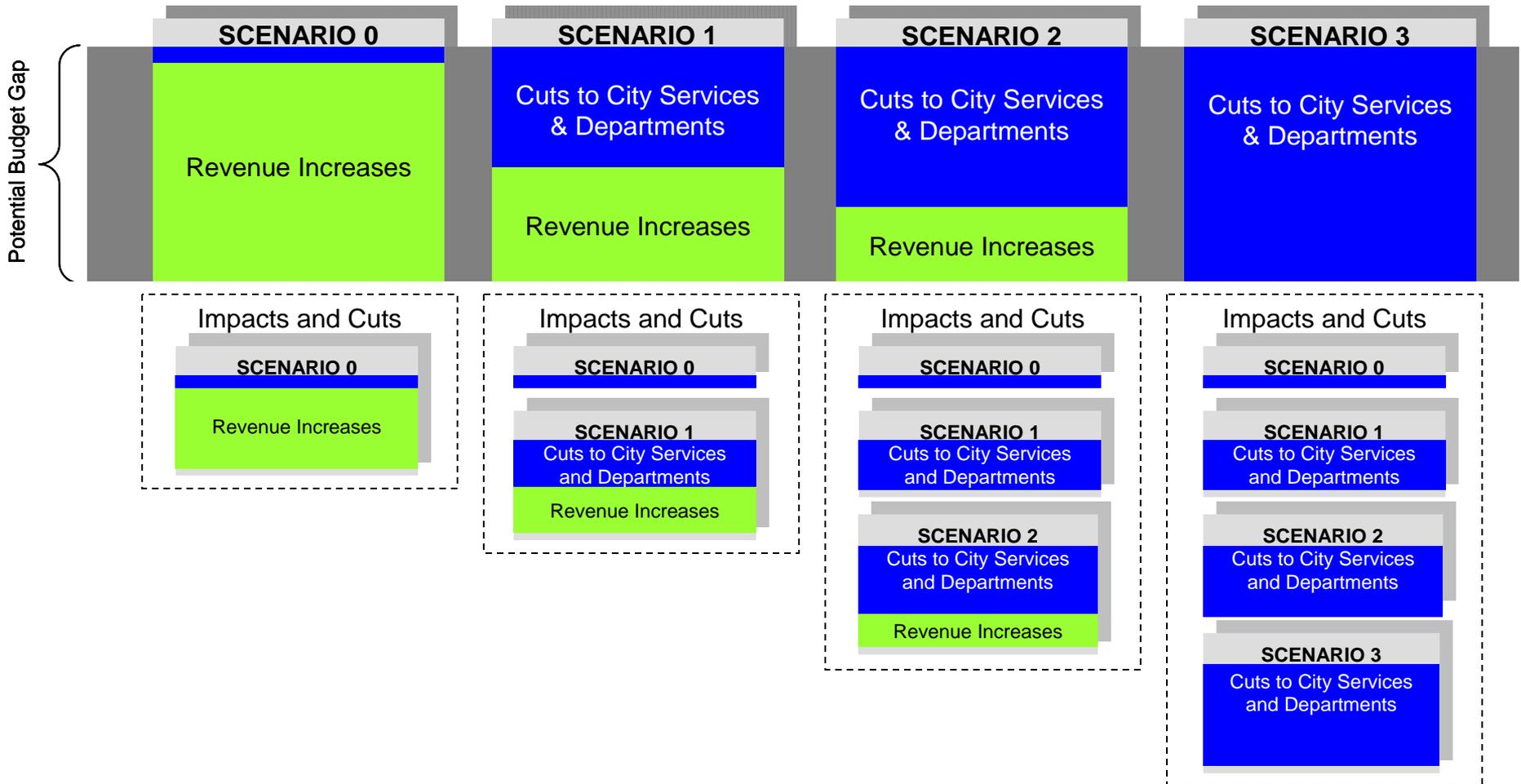




BUDGET SCENARIOS

Overview *continued*

The cuts and impacts of each scenario compound. Each scenario includes the cuts and impacts identified in prior scenarios. For example, Scenario 3 includes the cuts and impacts identified in Scenarios 0, 1, 2, and 3.





BUDGET SCENARIOS

Things to Consider

The Budget Scenarios were created to provide information and direction for upcoming discussions, but do not represent final decisions. In addition:

- Budget Scenarios will require further examination as budget gaps and likely supplemental revenue projections become more clear
- Costs and impacts are currently only estimated and will require updates as additional information becomes available and as the process becomes more detailed
- Opportunities can, and should, be moved between scenarios as needed in an iterative review process
- Once revenue decisions have been made, the final Budget Scenario is likely to be some combination of the scenarios as they are currently outlined
- Cuts and impacts of Scenario 0 are not discussed in detail in this report because the scenario does not involve significant budget changes to decisions made for the 2009/10 budget



BUDGET SCENARIOS

Service Areas

Decisions related to the Budget Scenarios will require a focus on the impact to constituents and to services. Service Areas, described below, will be used with each Budget Scenario to:

- Focus the discussion of impacts into one of four Service Areas
- Illustrate a city-wide, constituent view of impacts
- Enable communication of the scope of potential changes





BUDGET SCENARIOS

Scenario 1 Summary

Scenario 1 cuts and impacts are summarized below. Additional detail is found on the following pages.

	SCENARIO 1 CUTS	SCENARIO 1 IMPACTS
Highly Responsive Government	Reduce civilian support staff and services; minimize impact to critical residential services	<ul style="list-style-type: none"> ▪ Decreased responsiveness to community ▪ Less efficient delivery of services ▪ Less technologically current
Safe Community	Eliminate non-emergency services (e.g., animal control, community outreach, education)	<ul style="list-style-type: none"> ▪ Reduced proactive safety and community programs
Cultural and Recreational Opportunities	Reduce supplemental support provided to the community through suspension of museum educational program and community grant program	<ul style="list-style-type: none"> ▪ Reduced city support for community institutions ▪ Less educational programs supporting Elmhurst history and culture
Neighborhood Livability	Reduce non-essential services (e.g., maintenance, streets, trees); suspend programs like rear yard drainage services and public zoning information program	<ul style="list-style-type: none"> ▪ Reduced maintenance of public spaces and trees ▪ Decreased cleanliness and maintenance of sidewalks and streets

Cuts to City Services and Departments	\$2 – 3M
Revenue Increases	\$2 – 4M

Potential Budget Gap: \$4 – 6M



BUDGET SCENARIOS

Scenario 1 Detail

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Highly Responsive Government	Close City Hall one day a week	<ul style="list-style-type: none"> Elimination of access to City Hall services on Wednesdays 	HIGH	\$650K – \$750K
	Implement required furloughs, hold hours, and create a modified work week	<ul style="list-style-type: none"> No direct resident impact 	HIGH	
	Defer equipment replacement	<ul style="list-style-type: none"> Increased equipment maintenance problems 	HIGH	
	Eliminate 3 FT and 5 PT civilian support staff	<ul style="list-style-type: none"> Decreased community programs provided by fire department (e.g., car seat inspection, block parties, Honor Guard classes) Increased response time to questions for the Fire and Building Department Potential increase in response times for services related to warrants, summons, subpoenas and complaints, and report processing Elimination of personal connection when calling City Hall 	HIGH	
	Combine City Hall service counters and increase self-service options	<ul style="list-style-type: none"> Increased wait times at City Hall counters for personal service Reduction in personal contact at city hall with increased self-service 	MEDIUM	
	Eliminate proactive service to inform residents of potential water leaks or peculiar usage	<ul style="list-style-type: none"> Elimination of proactive, hand-holding related to unusual water bills 	LOW	
	Reduce employee training and tuition support	<ul style="list-style-type: none"> Potential decrease in service delivery and employee knowledge 	LOW	
	Reduce community newsletters and mailings	<ul style="list-style-type: none"> Decreased frequency in communication via newsletter Reduction in the amount of city information arriving in hardcopy 	LOW	

HIGH \$150,000 +
 MEDIUM \$35,000 – \$150,000
 LOW \$0 – \$35,000



BUDGET SCENARIOS

Scenario 1 Detail *continued*

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Safe Community	Eliminate Crime Prevention Programs (e.g., DARE, Peer Jury, SALT, Citizen Police Academy, Internet Safety, Explorers)	<ul style="list-style-type: none"> Elimination of proactive crime prevention education programs including DARE, Peer Jury, SALT, Citizen Police Academy, Internet Safety, and Explorers 	MEDIUM	\$200K – \$250K
	Eliminate 1 FT Police Service Officer	<ul style="list-style-type: none"> Response to only vicious animal calls and animal bites; no pick-ups of stray domesticated animals Possible referral to private companies for animal control support 	MEDIUM	
	Eliminate 2 PT fire inspector positions	<ul style="list-style-type: none"> Reduction in fire inspections Possible increase in residential, commercial and industrial insurance premiums 	LOW	
Cultural and Recreational Opportunities	Eliminate the Community Grant Program	<ul style="list-style-type: none"> Reduction in city financial support for civic events and parades 	MEDIUM	\$100K – \$150K
	Eliminate 1 PT museum position and reduce educational programs	<ul style="list-style-type: none"> Reduction in Churchville One Room School programs (e.g., school groups, public programs) Reduction in museum programs (e.g., school groups, public programs) 	LOW	
	Reduce museum exhibits	<ul style="list-style-type: none"> Reduction in the variety of museum exhibits 	LOW	

HIGH \$150,000 +
 MEDIUM \$35,000 – \$150,000
 LOW \$0 – \$35,000



BUDGET SCENARIOS

Scenario 1 Detail *continued*

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Neighborhood Livability	Eliminate 5 FT, 3 PT, and temporary public works positions	<p>Reduction in public works responsiveness to maintenance, electrical, forestry, and streets needs</p> <ul style="list-style-type: none"> ▪ Delayed response times due to increasing maintenance issues ▪ Delayed response to power outages and increased risk of streetlight shortages or electrical discharge ▪ Decreased tree maintenance and delayed tree trimming schedule ▪ Increased clean-up response time after storms ▪ Potential decrease in availability of information to residents around large scale capital improvement projects ▪ Elimination of city support for block parties ▪ Elimination of decorations for main streets including holiday 	HIGH	\$1 MILLION – \$1.5 MILLION
	Eliminate non-essential public works services and activity one work-day a week	<ul style="list-style-type: none"> ▪ 20% reduction in public works services 	HIGH	
	Reduce tree purchasing and Dutch Elm Disease (DED) injections	<ul style="list-style-type: none"> ▪ Decreased number of new trees ▪ Increased instances of DED and risk of losing a larger population of Elms ▪ Responsibility of residents to inject DED protection in their private trees ▪ Potential loss of Tree City certification 	HIGH	
	Reduce equipment maintenance overtime	<ul style="list-style-type: none"> ▪ Increase in equipment downtime and other maintenance problems 	LOW	
	Reduce street sweeping	<ul style="list-style-type: none"> ▪ Reduction in street cleanliness 	LOW	
	Eliminate rear-yard drain program	<ul style="list-style-type: none"> ▪ Elimination of city support of rear yard drain programs ▪ Responsibility of residents to secure private contractors to resolve issues 	MEDIUM	
	Eliminate 1 FT and 1 PT PZED positions and reduce public information program	<ul style="list-style-type: none"> ▪ Reduction in resources for visitors and tourism ▪ Reduction in new Elmhurst businesses ▪ Potential reduction in visitors, tourists and businesses using city hotels and motels 	MEDIUM	



BUDGET SCENARIOS

Scenario 2 Summary

Scenario 2 includes the cuts and impacts of Scenario 1, as well as those summarized below and outlined on the following pages.

	SCENARIO 2 CUTS	SCENARIO 2 IMPACTS
Highly Responsive Government	Eliminate additional civilian support staff; continue to impact non-critical residential services	<ul style="list-style-type: none"> Additional decrease in responsiveness to community Additional decrease in efficient delivery of services Increased stagnation of technical ability Decreased information sharing with community
Safe Community	Further eliminate non-emergency positions (e.g., training, public education, traffic, parking, specialty education)	<ul style="list-style-type: none"> Increased public safety response time Further reduction in proactive safety and community programs
Cultural and Recreational Opportunities	Eliminate full-time and/or part-time positions that support community events and museum	<ul style="list-style-type: none"> Further reductions in city support for community institutions Additional decreases in educational programs supporting Elmhurst history and culture Decreased Historical Museum programming
Neighborhood Livability	Eliminate full-time positions that support city planning, economic development, street maintenance, and forestry; eliminate proposed Ride DuPage program	<ul style="list-style-type: none"> Further reductions in maintenance of public spaces and trees Additional decreases in cleanliness and maintenance of sidewalks and streets

Cuts to City Services and Departments	\$3 – 4M <i>(total of Scenario 1 and 2 cuts)</i>
Revenue Increases	\$1 – 3M

Potential Budget Gap: \$4 – 6M



BUDGET SCENARIOS

Scenario 2 Detail

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Highly Responsive Government	Eliminate 2 FT and 2 PT civilian support staff	<ul style="list-style-type: none"> Increased response time to questions for Public Works and Fire/Building Reduced ability to work with public (e.g., drainage, traffic counts) 	HIGH	\$200K – \$250K
Safe Community	Eliminate 5 PT fire department positions related to training, special skills, and public education	<ul style="list-style-type: none"> Reduced firefighter safety and rescue capabilities Expected increases in residential, commercial and industrial insurance premiums Delayed application of latest fire technology Elimination of fire programs for preschool students and seniors Elimination of all in-school fire safety programs (e.g., Learn Not to Burn, Cool Rules) Elimination of Fire Safety Trailer programs 	MEDIUM	\$200K – \$250K
	Eliminate pro-active traffic safety program	<ul style="list-style-type: none"> Elimination of pro-active traffic safety program directly focused on citizen concerns 	MEDIUM	
Cultural and Recreational Opportunities	Eliminate 1 PT museum position and reduce marketing materials	<ul style="list-style-type: none"> Reduction in museum outreach Potential decrease in volunteer and foundation assistance further limiting museum services Decreased awareness of museum exhibits and services 	MEDIUM	\$75K – \$100K
	Eliminate PT and temporary streets positions	<ul style="list-style-type: none"> Elimination of city financial and service support for community events (e.g., charity runs, parades) 	MEDIUM	

HIGH \$150,000 +
 MEDIUM \$35,000 – \$150,000
 LOW \$0 – \$35,000



BUDGET SCENARIOS

Scenario 2 Detail *continued*

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Neighborhood Livability	Eliminate 6 FT positions related to street, equipment, and tree maintenance	<ul style="list-style-type: none"> Decreased maintenance of streetscapes Increased response time to Public Works maintenance requests Decreased tree maintenance and delayed tree trimming schedule Possible Increased instances of DED and risk of losing a larger population of Elms Increased clean-up response time after storms Increased likelihood of electrical outages due to untrimmed branches 	HIGH	\$900K – \$1 MILLION
	Eliminate 1 FT PZED position	<ul style="list-style-type: none"> Slower zoning and permitting processes Reduction in planning and zoning support Reduction in historic preservation efforts Reduction in special project support (e.g., Hahn Street) Reduction in new Elmhurst businesses 	HIGH	

HIGH \$150,000 +
 MEDIUM \$35,000 – \$150,000
 LOW \$0 – \$35,000



BUDGET SCENARIOS

Scenario 3 Summary

Scenario 3 includes the cuts and impacts of Scenarios 1 and 2, as well as those summarized below and outlined on the following pages.

	SCENARIO 3 CUTS	SCENARIO 3 IMPACTS
Highly Responsive Government	Combine Public Works and Water/Wastewater departments	<ul style="list-style-type: none"> Additional decrease in responsiveness to community Additional decrease in efficient delivery of services Increased stagnation of technical ability Additional decrease in information sharing
Safe Community	Eliminate part-time and full-time Fire and Police positions that impact emergency and non-emergency services (including transfer of crossing guards to a School District expense)	<ul style="list-style-type: none"> Further reduction in proactive safety and community programs Less responsive Fire, Police, and Emergency Services; reactive rather than proactive response
Cultural and Recreational Opportunities	Close the museum except by appointment; eliminate new exhibits; eliminate part-time police positions that provide assistance for city and school events (including transfer of event security to School District expense)	<ul style="list-style-type: none"> Further reductions in city support for community institutions Additional decreases in educational programs supporting Elmhurst history and culture Additional decreases in Historical Museum programming, exhibits, and reference services Decrease in collection of Elmhurst history
Neighborhood Livability	Limit street maintenance to main roads and critical repairs only; limit snow removal and sidewalk repairs to main streets and critical areas	<ul style="list-style-type: none"> Further reductions in maintenance of public spaces & trees Additional decreases in cleanliness and maintenance of sidewalks and streets Less drivable roadways Increase in traffic crashes

Cuts to City Services and Departments	\$4 – 6M <i>(total of Scenario 1, 2, and 3 cuts)</i>
Revenue Increases	

Potential Budget Gap: \$4 – 6M



BUDGET SCENARIOS

Scenario 3 Detail

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Highly Responsive Government	Combine Public Works and Water/Wastewater	<ul style="list-style-type: none"> No direct resident impact 	MEDIUM	\$75K –
	Eliminate taping of City Council meetings	<ul style="list-style-type: none"> Reduction of City Council meeting details to meeting notes 	LOW	\$100K
Safe Community	Eliminate 4 FT and 46 PT Police positions (including transfer of crossing guards to a School District expense); reduce school resource officer program; reduce COPP unit (responding to drug and neighborhood disorder cases)	<ul style="list-style-type: none"> Decreased patrol cars on the streets Decreased response to non-emergency calls to the police department including after-hours Public Works calls Increased inoperable and unauthorized cars parked on city streets (due to reduced ability to enforce the overnight parking ban) Severe reduction in police assistance during city events (e.g., Elmfest, parades, charity runs) Increased responsibility of events to fund own security (e.g., basketball games, parades) Elimination of social worker support for York High School and elimination of support for residents including response to drug, alcohol, domestic violence and neighborhood disputes issues Possible decrease in crossing guard service when transferred to school district 	HIGH	\$1 MILLION – \$1.25 MILLION
	Eliminate 3 FT and 2 PT Fire positions	<ul style="list-style-type: none"> Increased response time for fire department emergencies Decreased fire and rescue capabilities Increased reliance on neighboring communities for fire and rescue support Expected increases in residential, commercial and industrial insurance premiums Delayed application of latest fire technology Reduced EMS coverage on one side of the city due to reduced staffing during typically slow periods 	HIGH	

HIGH \$150,000 +
 MEDIUM \$35,000 – \$150,000
 LOW \$0 – \$35,000



BUDGET SCENARIOS

Scenario 3 Detail *continued*

Service Area	Proposed Cut	Service Impact	Budget Impact	Budget Impact Range
Cultural and Recreational Opportunities	Close museum except by appointment and eliminate new exhibits for museum	<ul style="list-style-type: none"> ▪ Appointments required for museum visits ▪ Elimination of museum exhibit programs ▪ Decreased connectedness to Elmhurst for residents and visitors 	HIGH	\$650K – \$700K
Neighborhood Livability	Limit street and sidewalk maintenance to main roads and critical repairs only and delay snow plowing on side streets	<ul style="list-style-type: none"> ▪ Deteriorated road quality (minimal initially but growing over time) ▪ Delayed street and pothole repair ▪ Delayed response to broken sidewalks ▪ Delayed snow plowing on side streets 	HIGH	\$200K – \$250K

HIGH \$150,000 +
 MEDIUM \$35,000 – \$150,000
 LOW \$0 – \$35,000



BUDGET SCENARIOS

Summary of Cuts to City Services and Departments



Highly Responsive Government	Reduce civilian support staff and services; minimize impact to critical residential services	Eliminate additional civilian support staff; continue to impact non-critical residential services	Combine Public Works and Water/Wastewater departments
Safe Community	Eliminate non-emergency services (e.g., animal control, community outreach, education)	Further eliminate non-emergency positions (e.g., training, public education, traffic, parking, specialty education)	Eliminate part-time and full-time Fire and Police positions that impact emergency and non-emergency services (including transfer of crossing guards to a School District expense)
Cultural and Recreational Opportunities	Reduce supplemental support provided to the community through suspension of museum educational program and community grant program	Eliminate full-time and/or part-time positions that support community events and museum	Close the museum except by appointment; eliminate new exhibits; eliminate part-time police positions that provide assistance for city and school events (including transfer of event security to School District expense)
Neighborhood Livability	Reduce non-essential services (e.g., maintenance, streets, trees); suspend programs like rear yard drainage services and public zoning information program	Eliminate full-time positions that support city planning, economic development, street maintenance, and forestry; eliminate proposed Ride DuPage program	Limit street maintenance to main roads and critical repairs only; limit snow removal and sidewalk repairs to main streets and critical areas

Cuts to City Services and Departments	\$2 – 3M	\$3 – 4M <i>(total of Scenario 1 and 2 cuts)</i>	\$4-6M <i>(total of Scenario 1, 2, and 3 cuts)</i>
Revenue Increases	\$2 – 4M	\$1 – 3M	\$0

Potential Budget Gap: \$4 – 6M



BUDGET SCENARIOS

Summary of Scenario Impacts

SCENARIO 1 Impacts

SCENARIO 2 Impacts

SCENARIO 3 Impacts

Highly Responsive Government	<ul style="list-style-type: none"> Decreased responsiveness to community Less efficient delivery of services Less technologically current 	<ul style="list-style-type: none"> Additional decrease in responsiveness to community Additional decrease in efficient delivery of services Increased stagnation of technical ability Decreased information sharing with community 	<ul style="list-style-type: none"> Additional decrease in responsiveness to community Additional decrease in efficient delivery of services Increased stagnation of technical ability Additional decrease in information sharing
Safe Community	<ul style="list-style-type: none"> Reduced proactive safety and community programs 	<ul style="list-style-type: none"> Increased public safety response time Further reduction in proactive safety and community programs 	<ul style="list-style-type: none"> Further reduction in proactive safety and community programs Less responsive Fire, Police, and Emergency Services; reactive rather than proactive response
Cultural and Recreational Opportunities	<ul style="list-style-type: none"> Reduced city support for community institutions Less educational programs supporting Elmhurst history and culture 	<ul style="list-style-type: none"> Further reductions in city support for community institutions Additional decreases in educational programs supporting Elmhurst history and culture Decreased Historical Museum programming 	<ul style="list-style-type: none"> Further reductions in city support for community institutions Additional decreases in educational programs supporting Elmhurst history and culture Additional decreases in Historical Museum programming, exhibits, and reference services Decrease in collection of Elmhurst history
Neighborhood Livability	<ul style="list-style-type: none"> Reduced maintenance of public spaces and trees Decreased cleanliness and maintenance of sidewalks and streets 	<ul style="list-style-type: none"> Further reductions in maintenance of public spaces and trees Additional decreases in cleanliness and maintenance of sidewalks and streets 	<ul style="list-style-type: none"> Further reductions in maintenance of public spaces & trees Additional decreases in cleanliness and maintenance of sidewalks and streets Less drivable roadways Increase in traffic crashes

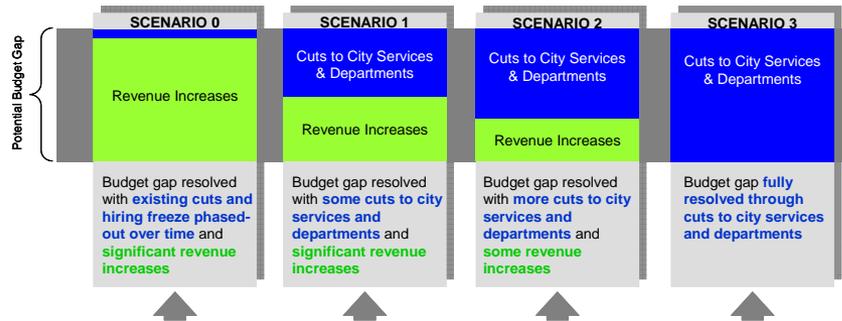
Cuts to City Services and Departments	\$2 – 3M	\$3 – 4M <i>(total of Scenario 1 and 2 cuts)</i>	\$4-6M <i>(total of Scenario 1, 2, and 3 cuts)</i>
Revenue Increases	\$2 – 4M	\$1 – 3M	\$0

Potential Budget Gap: \$4 – 6M

FOUNDATIONAL OPPORTUNITIES

Overview

Increasing expectations and the need to continually improve is a constant reality for municipal governments, especially in tough times. The Management Team and Clerestory Consulting identified a number of Foundational Opportunities for continued focus as part of the team's on-going, proactive efforts to improve operations. These opportunities can be pursued regardless of specific cost-cutting and revenue decisions and include operations, organization structure, and technology use. The opportunities, some already in process, will provide greater flexibility in responding to future budget issues. The opportunities include:



FOUNDATIONAL OPPORTUNITIES

Proactive projects to improve operations, enable scenarios, and provide flexibility for future and on-going decision making

1. Expand the current cross-departmental view of resource utilization
2. Continue to evaluate and manage employee performance
3. Identify and fully evaluate services and delivery methods
4. Apply technology strategically
5. Seek opportunities to reduce costs through outsourcing
6. Continue to work with other government entities
7. Support city-wide strategic planning process (beyond two year budgets, five year operating plan, and comprehensive plan)



EXPERIENCE EXAMPLES

Overview and Scenario 1

During the process to determine what is the best response to the economic downturn and possible budget gap, it is important to identify how these major decisions will impact the residents of Elmhurst. The Experience Examples illustrate what a resident could experience as various cuts are made.

Susan is a busy working professional. Last Wednesday she took some time to run errands during her lunch break and stopped by City Hall to purchase her annual city sticker. City Hall was closed. Susan had forgotten that City Hall was now closed one day per week. Susan returned the next day but when she got there, she noticed that the four service counters had been combined into one causing longer lines during peak periods. Of course there were people to help her out and everyone was nice as usual, but the line was longer and moved much more slowly than she remembered from past years.



D.A.R.E.



Bob's family had always enjoyed the educational sessions put on by the Elmhurst Police. Last year Bob's daughter went through the DARE program. Recently his father was excited about taking advantage of is the Citizen's Police Academy. Bob's neighbor, Jim, couldn't say enough about the program and Bob was excited for his father to enroll. Unfortunately, Bob found out today that none of these programs will be available in Elmhurst this year. In fact, all of the information programs have been cancelled.

EXPERIENCE EXAMPLES

Scenario 1 *continued*



Doug loves music and had enjoyed taking his family to hear the Elmhurst Symphony Orchestra since they moved to Elmhurst. The ESO has become an integral part of his family's cultural experience and education in Elmhurst. Doug's daughter has even started taking violin lessons from one of the players. Unfortunately, Doug is not sure the symphony is going to be able to complete its plans for next year's season. Since the Community Grant Program has been cut, the ESO is lacking a critical donation that they count on year after year. With private donations and grants down, the price of tickets are sure to go up. Doug isn't sure his family will be able to afford season tickets. It's not even clear if the orchestra will play a full season.

Alice, a stay-at-home mom, moved to the City of Elmhurst with her husband because they love the tree lined streets and large yards for their children to play in. Lately, the trees that Alice loves so much, have become more ragged and less manicured. Alice called the city to point out that the branches looked like they need to be trimmed. She was frustrated with navigating the voicemail menus only to be told that the city had been forced to slow down its trimming schedule. Branches that didn't pose any immediate danger were not a priority and were not due to be trimmed. Last week a storm downed several branches that had not been trimmed which were a mess to clean up. The city came and did an excellent job of removing them, but they took longer getting to her than they had in the past.





EXPERIENCE EXAMPLES

Scenario 2



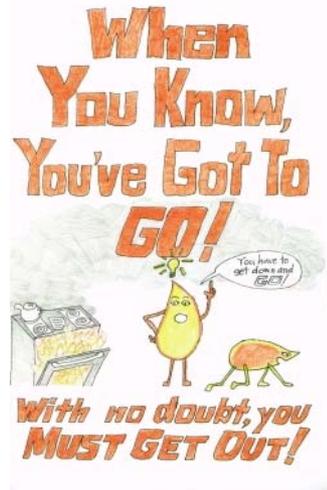
Anne has lived in Elmhurst her entire life. One of the things that she has always appreciated about the community is the fact that it is such a beautiful suburb and a home in which she has always had pride. Upon her recent return from Arizona, Anne was struck for the first time by the fact that the streets weren't as clean and well kept as she had recalled. It just didn't feel the way she has always remembered, she couldn't figure out exactly what was wrong. She did not remember that street sweeping and repairs had been cut back. All Anne knew was that it just didn't feel like the same Elmhurst anymore.

Steven is a successful entrepreneur. After retiring from investment banking Steven decided to invest in the community that he loves – Elmhurst. Steven has several properties that he owns in downtown, and just put the finishing touches on a gut-rehab on York Avenue. Steven has been unsuccessful in getting a tenant for his new property. Now that the City of Elmhurst has backed off of its activities around economic development and planning, Steven has not had any assistance or advice in finding candidate businesses to move to Elmhurst. He has had a vacant property for some time and will have to work much harder to find a new tenant.



EXPERIENCE EXAMPLES

Scenario 2 *continued*



Maria is the mother of five children and all of them are now in the City of Elmhurst school system. During her parent-teacher conference this past week, Maria was surprised to learn that her youngest would not be participating in the same fire prevention programs as her older children. They had always talked about and practiced Stop-Drop-and Roll at home. Not only is Maria disappointed that the program has been cut, but she's wondering how children will get the information they need about fire prevention and safety if they're not getting it at school. She called the Fire Department to ask about this and is surprised that no one has called her back yet.



EXPERIENCE EXAMPLES

Scenario 3



Melvia and Roy had an experience that they would rather not repeat. Last week, Roy had chest pains. Melvia called 911 and emergency vehicles were dispatched. It took longer than expected for help to arrive at their house. Melvia passed every moment of waiting worrying that Roy wasn't going to make it. Thankfully, everything turned out all right. The emergency service was excellent once it arrived, but Roy and Melvia wonder what may have happened if the response had taken any longer. Later, Melvia learned they had called during a period when emergency services had been reduced. With a brand new hospital nearby, should they have jumped in the car instead of calling for an ambulance?

Amanda, a single woman, is frustrated with the changes in Elmhurst. Last week there was a strange car parked at the end of her street and she called the police department when she got home at midnight. She was told that they would send a car when possible. She didn't see a patrol car come by immediately and she went to sleep. It's not just that response times are unpredictable, or that there are strange cars on the streets. The combination of these things makes it seem that the overall police presence is diminished. Amanda is starting to feel unsafe in her own neighborhood.





EXPERIENCE EXAMPLES

Scenario 3 *continued*

Eric knew that the storm was going to be a bad one – the weather map showed more precipitation than he cared to see. What Eric hadn't anticipated was how bad the roads would be to deal with, which didn't quite add up. Eric has lived through plenty of bad storms in Elmhurst in the past, but this storm shut his entire street down. With the exception of his neighbor that had a plow on his huge pick-up truck, no one could get out.



Cindy and Howard have been actively involved in the Elmhurst community for as long as either of them can remember. One of the things that they have always loved doing as a family was dropping in to visit the historical museum. Their children love the vault on the first floor, and are astonished by the advances the community has made through the years. This morning Cindy found out that the museum will be open by appointment only. The idea that other young families won't be able to share in the same experience that Cindy and Howard have shared with their children made her sad.