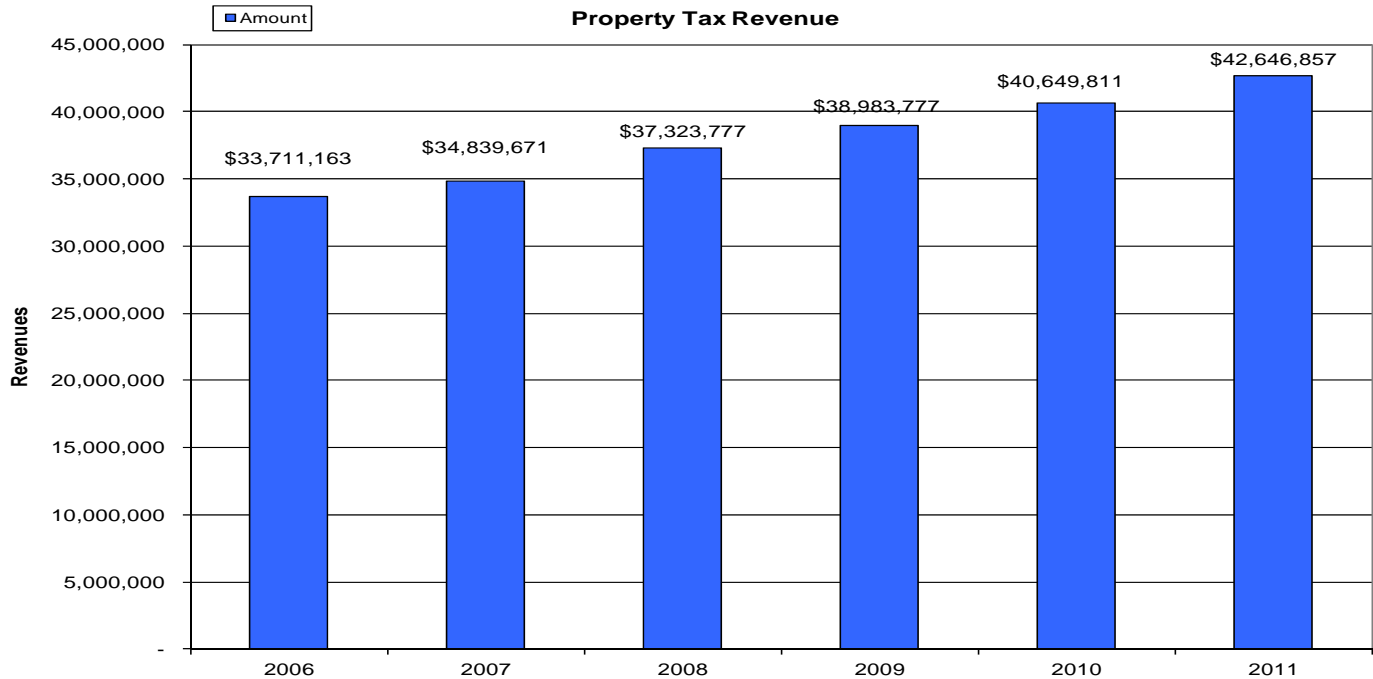


City of Evanston

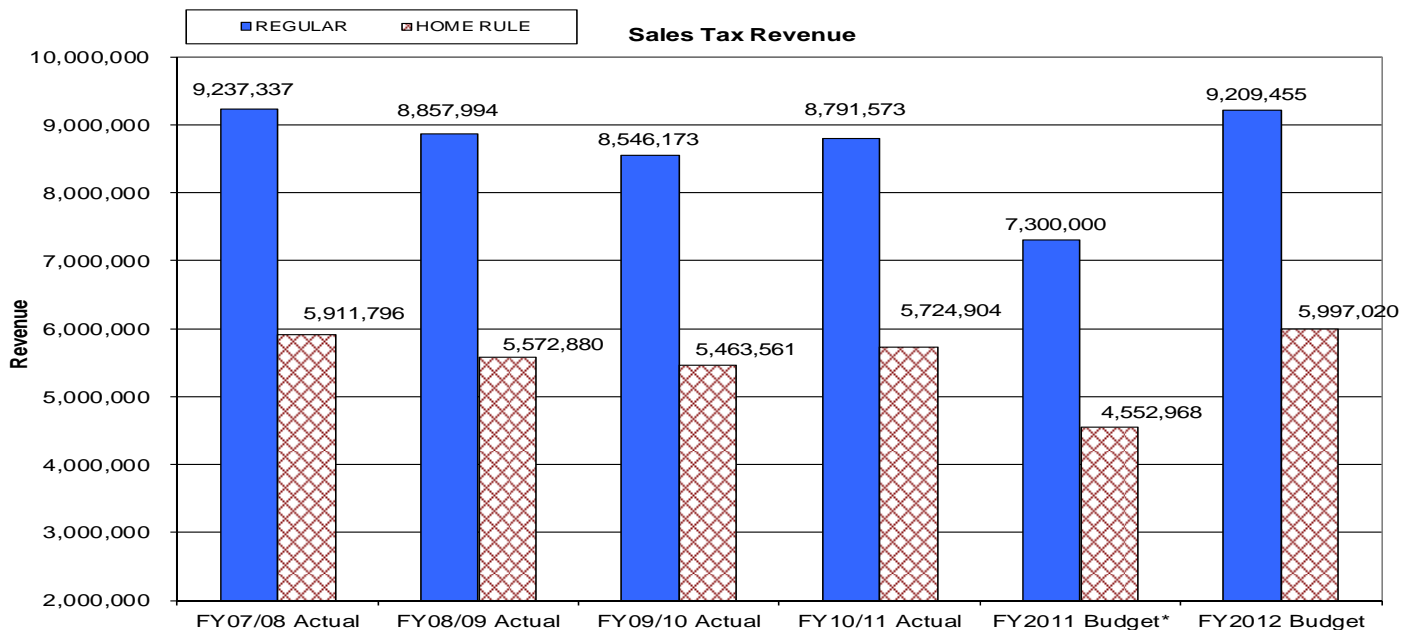
REVENUE SOURCES, ASSUMPTIONS AND TRENDS

The following is a summary of major revenue sources, trends and assumptions for FY 2012:

PROPERTY TAXES – Evanston property owners pay property tax to multiple entities including the City of Evanston. The 2011 property tax levy is collected in 2012. The FY2012 adopted budget includes an overall increase to the net property tax levy of \$1,997,046. The 2011 levy for the General Fund remained flat in comparison to the previous year. The City's debt service levy increased by \$1,174,538 and the Firefighters' and Police Pension levies increased by a total of \$822,508.

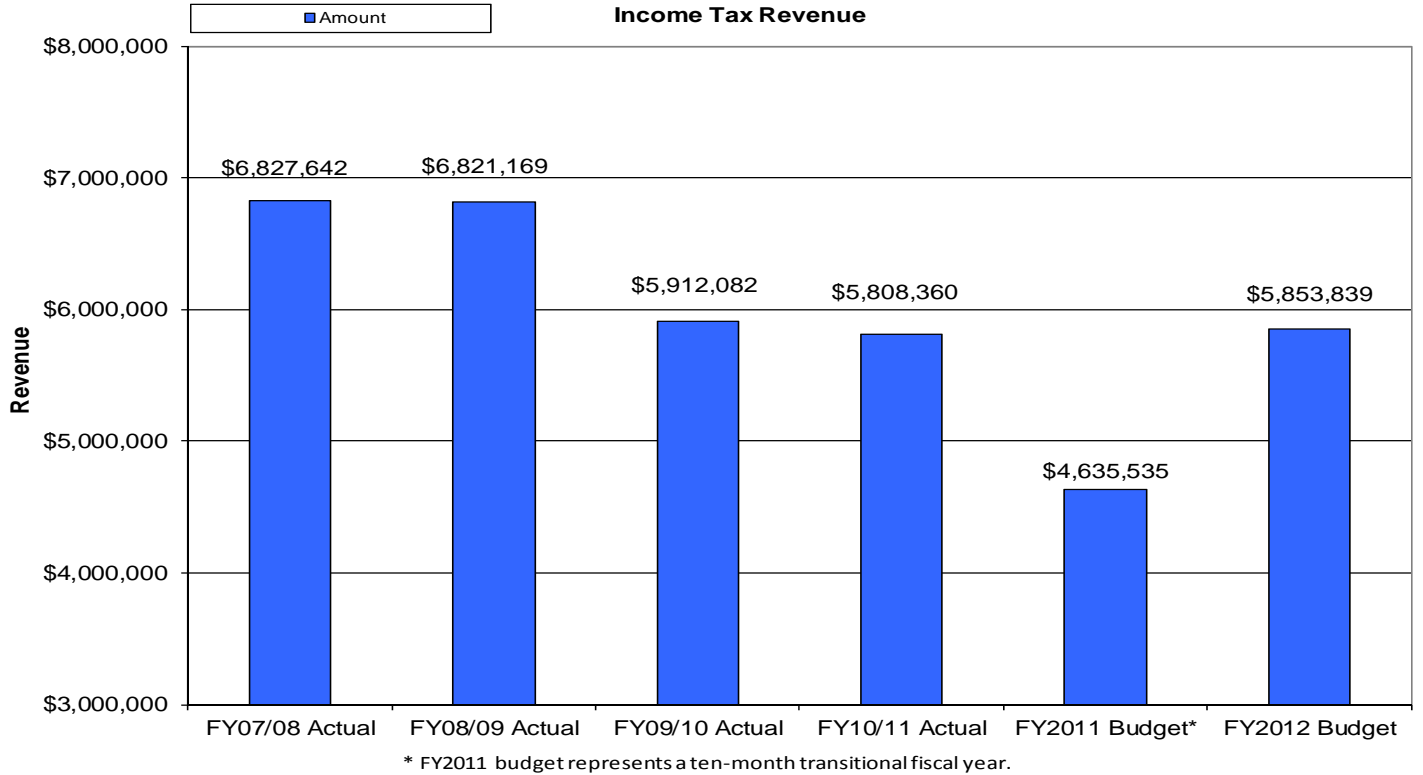


SALES TAXES – The City receives two types of sales taxes – one from the State of Illinois and another from a sales tax imposed through the City's home-rule status. Both the State tax (retailers' occupation tax- a.k.a. ROT) and the home rule tax rates are 1% although the home rule tax is not assessed on "listed" property such as vehicles and most grocery food items and medications. Based on State of Illinois revenue projections, the State sales tax budget for FY2012 is \$9.2 million and the home rule sales tax budget for FY2012 is approximately \$6 million.

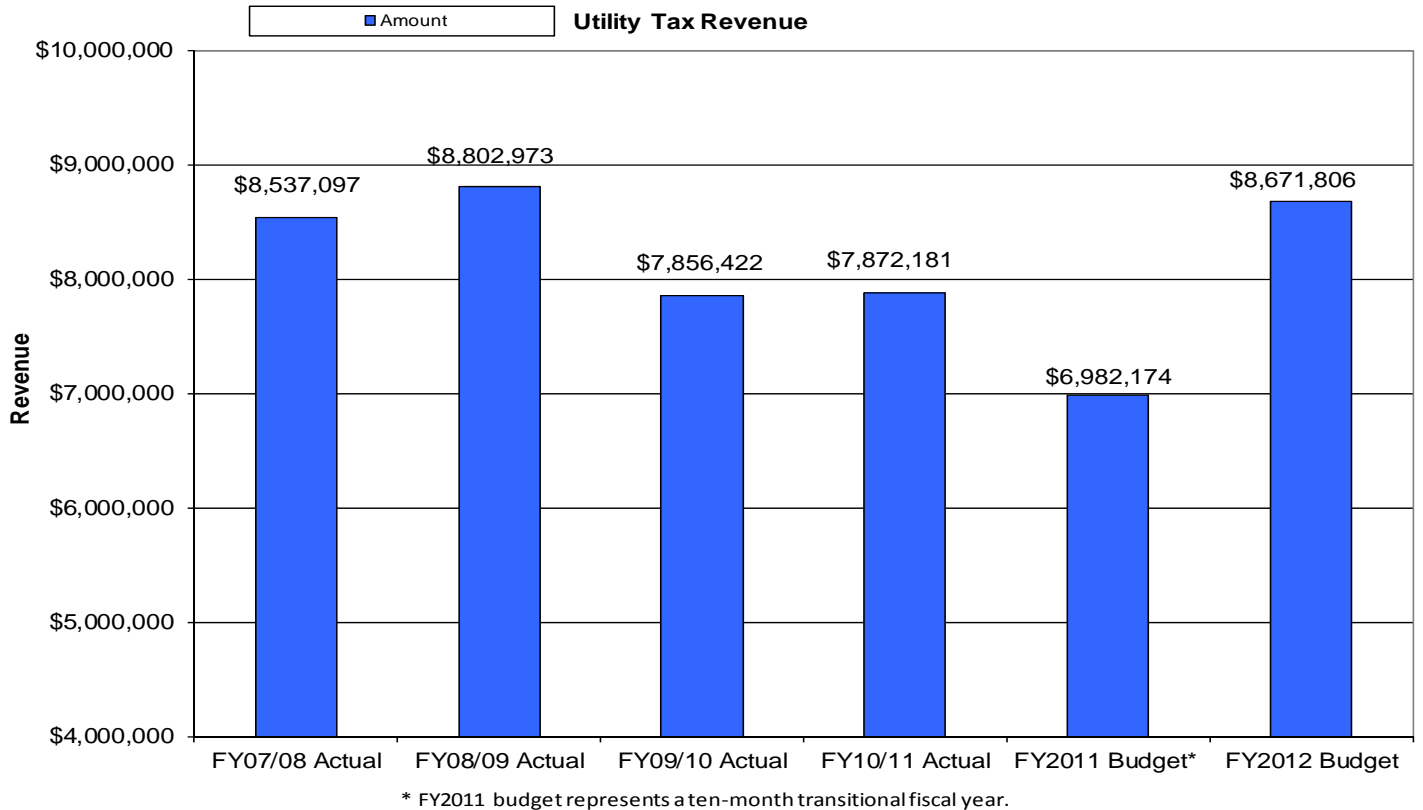


* FY2011 budget represents a ten-month transitional fiscal year.

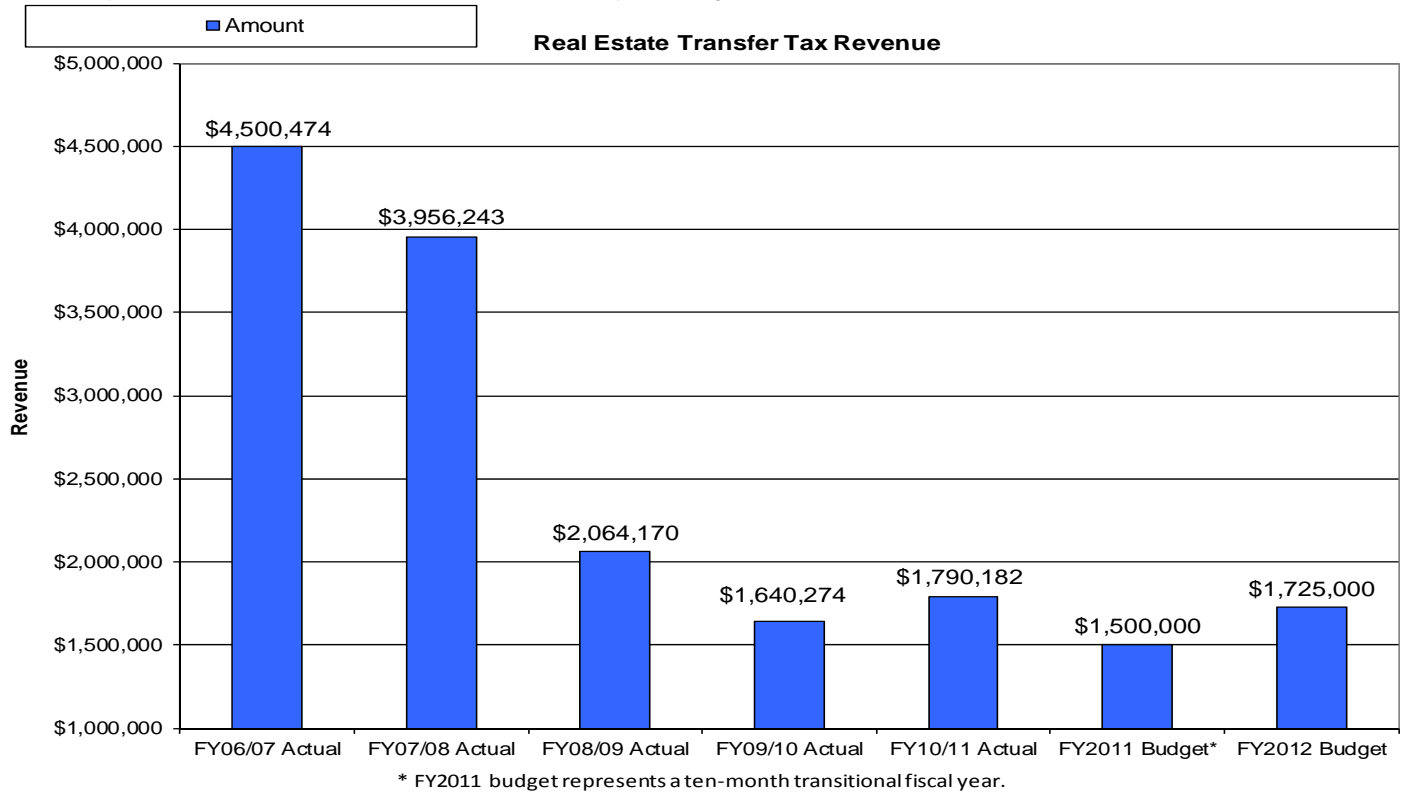
INCOME TAX – Income tax is a State shared tax that is distributed on a per capita basis and is based on the average income statewide. Based on the year-to-date actual receipts and Illinois Municipal League (IML) estimates, staff anticipates receiving approximately \$5.85 million in income tax revenues in FY2012.



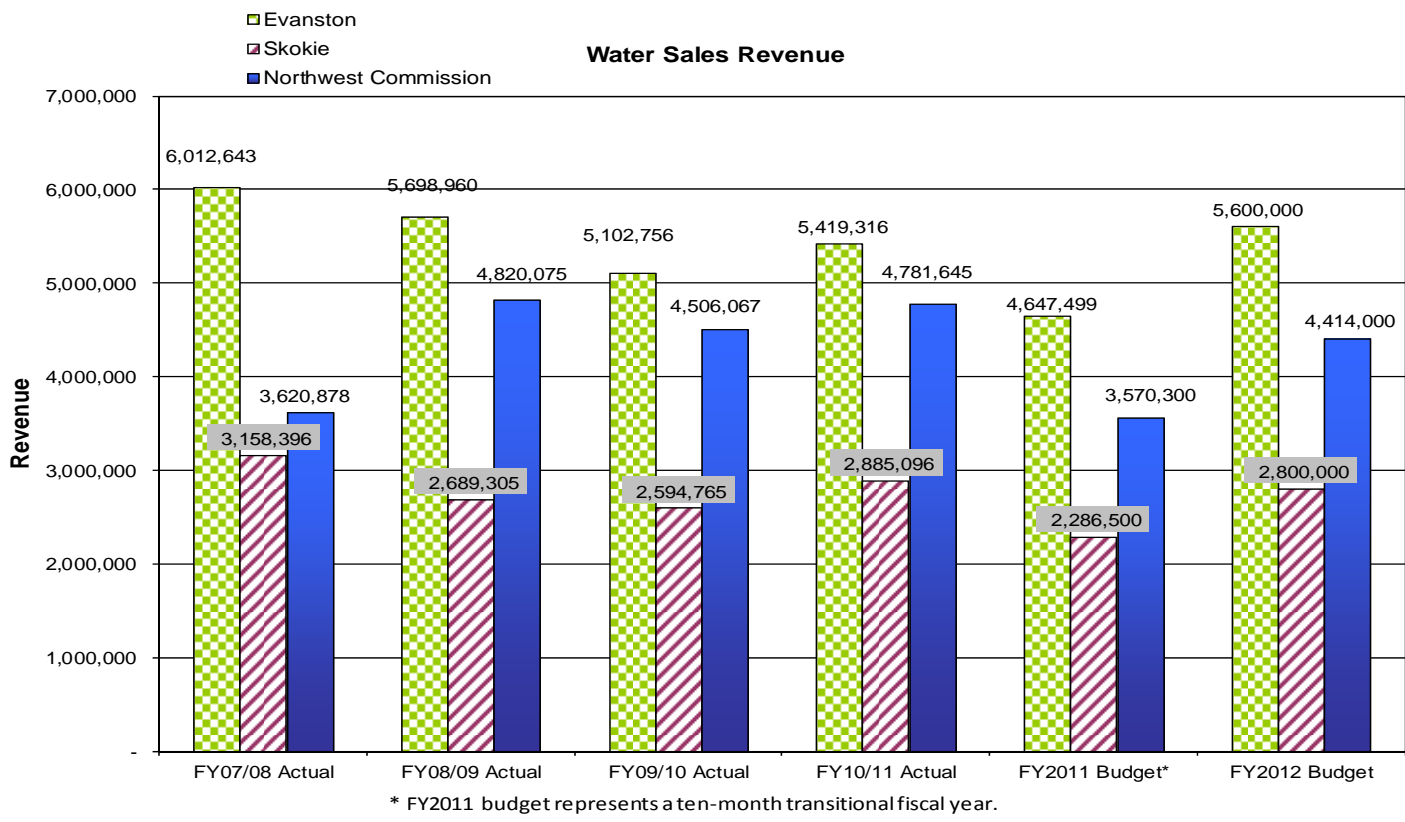
UTILITY TAXES –This revenue consists of taxes applied on electric usage, telephone usage, natural gas usage, and natural gas distribution. The utility tax rates are 6% for telecommunications, 5% for natural gas distribution (suppliers), \$.025/therm for natural gas usage, and a rate of \$.0061-\$.0030 for electric utility tax depending on kilowatt hours consumed. The amount of revenue for these taxes budgeted next year was largely dependent on year-to-date receipts and a historical trend analysis, if applicable, performed for the past three years.



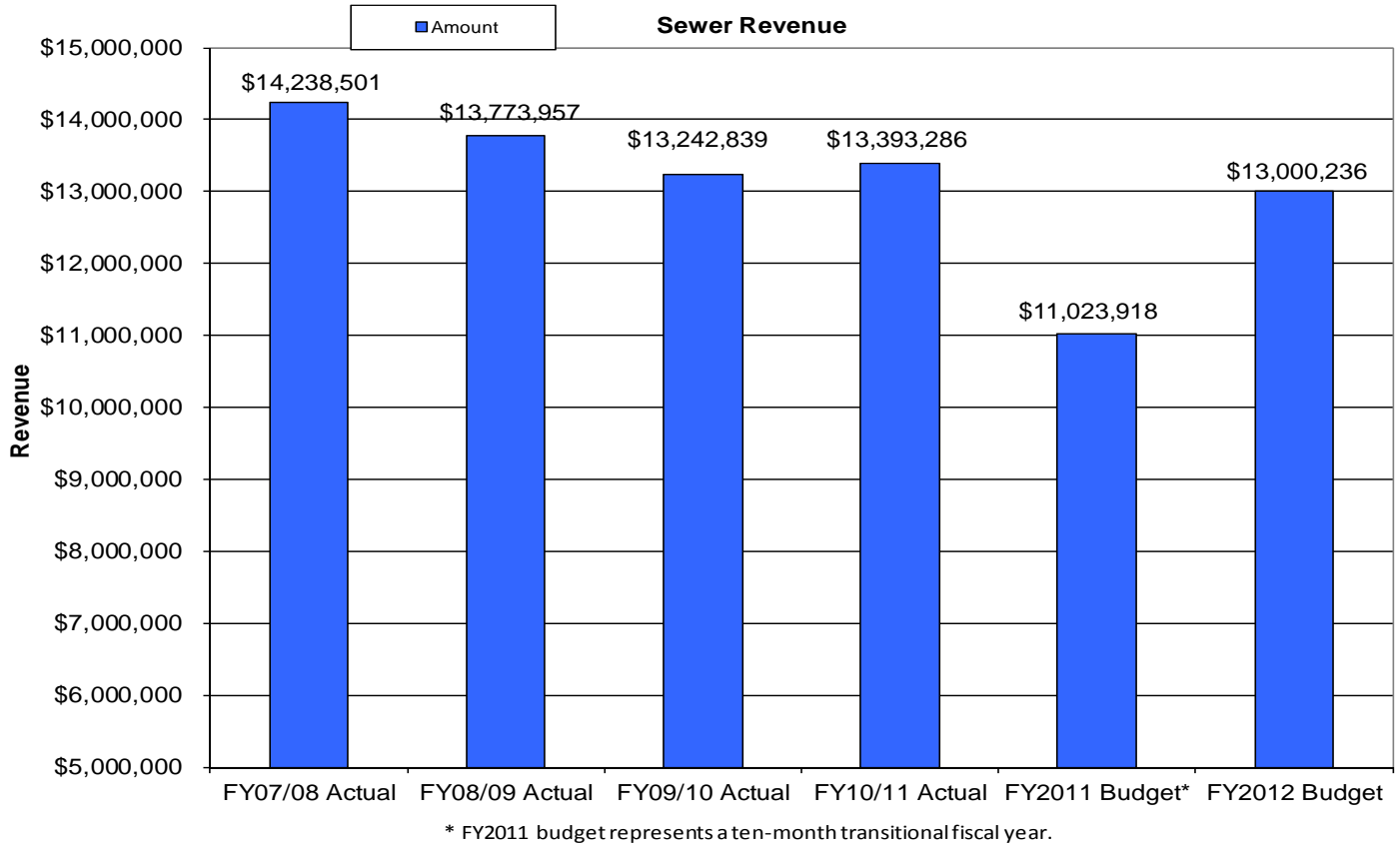
REAL ESTATE TRANSFER TAX – The real estate transfer tax is imposed at \$5 dollars per \$1,000 increment of value on the sale or transfer of real estate in the City less certain exemptions as specified per City code. Real estate transfer tax revenues were budgeted based on year-to-date receipts in conjunction with an analysis of regional real estate sales trends.



WATER REVENUES – Water revenues from Evanston’s water utility customers are expected to remain fairly constant from the prior year. Absent any water rate increases or adjustments, this revenue is almost entirely dependent on water consumption with weather playing a major role, especially during the summer.



SEWER REVENUES – This revenue is billed based on water consumption and the two revenues often go hand in hand. It is important to note that this revenue, unlike water, is not assessed to those communities outside of Evanston that purchase Evanston water.



PARKING REVENUES – The City operates parking meters, lots, and three major garages which generate revenues. The City's Maple and Sherman Garages were maintained as separate Funds prior to FY08/09, and the chart below has been adjusted to present consolidated totals.

