

software that provides for a mass notification system. The first-year cost of this system is \$23,000. Second-year maintenance cost is \$21,000 compared to \$9,000 for the old system.

Estimated revenues from the telephone surcharge are \$525,000. The general fund must transfer funds annually to the E-911 fund to sustain operations. The subsidy this year is \$777,200. The amount of this subsidy grows annually. If the City Council wants to increase the surcharge to make this fund self sufficient, we would have to sponsor a referendum. The referendum would only apply to land lines.

CAPITAL BUDGET

Capital Budget Highlights

Capital improvements are fixed asset expenditures with a value of \$25,000 or more. Capital projects consist of a year-to-year ongoing infrastructure replacement program and one-time programs.

For 2009/10, infrastructure programs consist of \$98,400 for reforestation, \$530,000 for sewer reconstruction, \$75,000 for sidewalk replacement, \$400,000 for sidewalk installation, \$1,000,000 for street resurfacing, and \$725,000 for watermain replacement. Contributions to the City computer replacement fund, library technology replacement fund and motor equipment replacement fund are budgeted at \$166,800, \$66,800 and \$443,200, respectively. The City reduced contributions to the internal service funds for several years. This is a source of concern in the Motor Equipment Replacement Fund. The financial projection on page 295 indicates the City may have difficulty replacing the \$1 million dollar fire pumper in 2015.

Next year, using general fund money, we plan to remove and replace 25,000 square feet of sidewalk or 1,000 sidewalk squares under the mandatory program. We will also sponsor the voluntary sidewalk replacement program at 100% resident cost. This is a change from past policy; previously the City paid 50% of the voluntary sidewalk program. In 2009/10, we plan to construct two new relief sewers at Frances, Greenwood to Grace and Frances, Cumberland to Grace. Routine replacement of sewers directly reduces operating budget expenses for sewer flushing. We plan to replace 365 trees as part of our annual reforestation program. Next year, we plan to use \$1,000,000 of motor fuel tax funds to resurface 5 miles of streets. In 2009/10, we plan to replace 2,800 linear feet of water main.

In total, \$3,505,200 will be spent on infrastructure next year.

Normally, the City undertakes several building repair projects each year. The 2009/10 building projects are:

- \$40,000 to re-carpet the Library.
- \$25,000 to improve the air quality at the Public Works Service Center.

Other one-time projects are as follows:

General Fund

- \$20,000 for a Dutch Elm tree protection program. Designed to protect the aging Dutch Elm tree population, the cost of this voluntary program will be shared with residents.
- \$60,000 to spray trees in order to protect against gypsy moth infestation. This is the second year of this program.
- \$55,400 for technology implementation. This includes the following projects: Fire Stations security cabinets for domain controller file servers, Fire Zoll EMS software upgrade, and installation of a Web customer service system.

Water Fund

- \$250,000 to relocate the water main and install a right turn lane at Potter and Dempster.

Uptown TIF

- \$900,000 to complete construction of the streetscape on Summit, Touhy to Prospect.

The Public Works Director proposed constructing an underground detention facility for Executive Plaza. Design and construction costs total \$2.7 million and would be paid by use of a Special Service Area. This means the City would issue general obligation bonds and the bonds would be repaid by levying taxes against the property owners living within the Special Service Area. This proposed capital project and accompanying debt service are not included in the Capital Budget.