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Elgin Initiating Third Round of Expenditure Reductions in Response to Coronavirus Pandemic



Elgin, IL - The City of Elgin is initiating its third round of expenditure reductions in response to the coronavirus pandemic. Reductions impact summer parks and recreation facilities, special events, employee wages and employment statuses.

Parks and Recreation, Special Events Changes

The continuing social distancing limitations in the Governor's executive order effectively prevent the opening of the outdoor pools at Lords Park and Wing Park. The Lords Park Farm Zoo will also require closing through the summer. Special events being cancelled include the traditional Memorial Day observations, Fish for Fun, the Fourth of July parade and fireworks, Elgin Summer Theatre and in late October, Elgin's signature special event,

Nightmare on Chicago Street. Budgeted improvements at Festival Park and a special events marketing proposal are also being delayed. The combined expenditure reductions from all these actions totals \$1,058,000.

The City's parks and recreation and special event staff will continue monitoring the changing environment in an effort to resume programming and events when possible. Plans have already been initiated for a modified Memorial Day observance at Bluff City Cemetery and the opening of the Festival Park splash pad is also being considered. The popular, summer Drop-In Playground Program that provides free lunches to Elgin children is also being reconfigured to operate under social distancing protocols.

Staff also continues assessing options to open City facilities including the Hemmens Cultural Center, the Edward Schock Centre of Elgin, the Eastside Recreation Center, Hawthorne Hill Nature Center and the Elgin Sports Complex - all currently closed under the stay-at-home order. Staff will also evaluate options for a potential downtown-based event in the fall.

Wage and Staffing Reductions

Wage and staffing reductions are also being implemented, effective today. City department head salaries are being reduced ten percent and all other salaried employees by five percent. Some employees are also being reduced to part-time status while others are being furloughed until July 6. These furloughs and work hour reductions are being made in addition to the employees first furloughed or having their hours reduced beginning on March 31 and now continuing through July 6. These reductions, combined with five unfilled positions and two positions in the organization that will not be replaced, total \$1.4 million.

Sworn personnel in the fire and police departments are not being impacted by wage reductions. Although they have all chosen an industry with inherent risks associated with the performance of their duties, the persistent threat posed by the coronavirus pandemic has exposed Elgin's first responders to heightened risk.

Employees in the collective bargaining units are not being impacted at this time with the expectation they will join all city staff with shared sacrifice in 2021 and participate in organization-wide wage freezes totaling \$1.7 million.

"The actions being implemented today balance our commitment to provide exceptional city services at the lowest possible cost to Elgin's residents and businesses, with the need to reduce organizational expenses during these unprecedented economic conditions," said City Manager Rick Kozal. "We share in the community's suffering and remain mindful of what will likely be a difficult road back to recovery," Kozal said.

Elgin Expenditure Reductions in Response to Coronavirus Pandemic

The City first implemented employee furloughs on March 15 following Governor Pritzker's stay-at-home executive order. Those furloughs, along with hiring delays and work hour reductions for certain administrative staff generated \$240,700 in expenditure reductions through May 10.

\$546,790 in expenditure reductions through May 10.

In mid-April, the City postponed work on two budgeted capital projects, the LED streetlight conversion program in the amount of \$2.55 million and the Dundee-Summit intersection reconstruction totaling \$2.5 million. The City's 2020 budget also planned to complete \$9.645 million in capital improvements for its water and sewer system. The City postponed \$6.5 million in budgeted water and sewer projects, facilitating the issuance of debt in the lowered amount of \$3.15 million.

The City continues to vigilantly monitor the rapidly changing economic conditions to determine the appropriate action necessary to maintain the City's sound financial condition, operations and services.

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