

# Bleak forecast

## Budget cuts could mean loss of special events

By Jason Alley

THE NEWS-HERALD

LINCOLN PARK — Special events, such as Lincoln Park Days and the Memorial Day parade, could be eliminated unless the city is able to fully recoup the costs of hosting the activities.

City Manager Steve Duchane delivered the bleak news during a special meeting last week on the city's financial outlook.

"You are not miracle workers," he told the mayor and City Council. "You certainly can't manufacture money."

To maintain the city's general fund at its current level without dipping into the city's savings account, Duchane said, about \$2 million has to be cut out of next year's budget.

As of June 30, 2005, the city had just under \$2.45 million in its fund balance. With a \$24 million annual budget, that amounts to a little more than 10 percent in reserves.

Auditors recently told the council that they would like to see the rainy day fund nearly doubled, closer to 20 percent.

That's hard to imagine at this point, Duchane said, as the more pressing issue is simply retaining the fund bal-

ance at its current level.

A major stumbling block to that happening, he said, is the huge decrease in money coming into the city from the state.

Over the last six years, the city has lost nearly \$1.2 million in state-shared revenue dollars.

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City Manager

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While the Lincoln Park Exchange Club puts on Lincoln Park Days, he said, the city still incurs costs, mostly by its public works employees helping to set up the event and maintain the grounds during the four-day summer festival.

"We simply have expended a lot of money on these events over the years," Duchane said.

"We would rather tie them to a budget that says we will do them if there is full cost recovery."

Council members directed Duchane to prepare a list for them of all the city's expenditures, from the biggest costs down to the smallest expense.

The city's department heads also were told to expect some cuts to their individual budgets in the upcoming year.

Councilman Michael Higgins said he hopes those cuts are equal across the board so that one department doesn't feel the pain more than another.

Mayor Steven Brown said that's a flawed way of thinking, dubbing it "budgeting for wimps."

The real goal, Brown said, is preserving core services, such as trash pickup and police and fire protection, and then determining which extras can be cut.

Convincing seven elected officials to decide what the essential services are could be a task in and of itself, Duchane said.

"I tend to believe that it is better to have excellent, complete, whole services ... rather than have a lot of services that are ineffective," Duchane said. "If we can afford 20 percent of services, we have to make adjustments for the priorities rather than the wants."

Higgins said he is concerned that some of his colleagues will take the easy way out and put recreation and programs for senior citizens on the chopping block first.

"I fear they'll look at that area first for cuts when it doesn't have to be," Higgins said. "Police, fire and (the Department of Public Service) are important, but so are other areas. That's what makes a community a community."

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