



City of
Waukegan

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Robert G. Sabonjian, Mayor
Wayne Motley, City Clerk
Dr. John R. Schwab, Treasurer

March 1, 2010

Brad Buntrock, President
Waukegan Firefighters
PO Box 8796
Waukegan, IL 60085

Dear Mr. Buntrock:

The fiscal year May 1, 2009 to April 30, 2010 has proven especially difficult for the City of Waukegan. After years of overspending, coupled with the recent economic downturn, the City is in a serious fiscal crisis. The City was downgraded by Moody's Investor Service in November, and was forced to issue \$30 million in taxable working cash bonds just to stay afloat. In an effort to institute sound fiscal management, the City has hired new auditors, non-essential spending was curbed, lay-offs were instituted, and the City offered an Early Retirement Initiative and a Voluntary Separation Plan to further cut costs. Recently, the City Council instituted a 2009 Real Estate Tax Levy that is 12% over the 2008 Tax Levy, and is reviewing other revenue alternatives.

Under my leadership, the City will not continue the practice of spending more than we have; consequently, the purpose of this letter is to inform you that additional workforce reductions are imminent for the upcoming fiscal year beginning May 1, 2010.

We anticipate releasing a proposed budget in mid-March, with public budget hearings held on the first three Thursdays in April. I encourage you to review the budget proposal once it's released, and invite you to discuss any related impact on your bargaining unit members with City Management.

Please contact Tina M. Smigielski, C.P.A., Director of Finance & Administration to set up a meeting or for further information at 847/856-6451 or tina.smigielski@ci.waukegan.il.us.

Sincerely,

Mayor Robert G. Sabonjian

cc: Alderman Sam Cunningham, 1st Ward
Alderman Thomas Koncan Jr., 2nd Ward
Alderman Gregory Moisio, 3rd Ward
Alderman Tony Figueroa, 4th Ward
Alderman Edith Newsome, 5th Ward
Alderman Lawrence Ten Pas, 6th Ward
Alderman Patrick Needham, 7th Ward
Alderman Richard Larsen, 8th Ward
Alderman Rafael Rivera, 9th Ward