



Lawrence J. Morrissey  
Mayor

To the Citizens of the City of Rockford:

On behalf of the City Council and our dedicated staff, I am proud to present to our citizens the 2012 City of Rockford budget. This budget, as proposed and approved, sets forth the City's continued commitment to provide the highest level of services to our residents, our businesses, and our visitors.

It is our intent, through responsible fiscal management, to provide for our citizens the opportunity to reside and do business in a strong and healthy community; a community that provides safe neighborhoods, strong schools, and a sound infrastructure that invites investment and economic development.

As we work to build a stronger Rockford, we do so with the understanding that **“Excellence Everywhere for Everyone”** is the goal we must achieve. Whether it is through the elimination of property taxes as a funding source for capital improvements or finding more efficient means of delivering city services through the accountability and analysis program “Rockstat” excellence shall always remain in sight.

Thank you,

Lawrence J. Morrissey  
Mayor  
City of Rockford



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Mayor

## Executive Summary

The planning for the 2012 budget began with a retreat for elected officials and department heads in August. Elected officials were updated regularly on the status of the City's finances, specifically in regards to elastic revenues. The budget was prepared with the following goals in mind: maintain current staffing and service levels. With the above principles, we were able to strategically prioritize resources and approve a balanced budget.

### *Issues and Priorities in 2012*

The services provided by the City are made possible by the resources entrusted to it by the citizens and businesses of Rockford. Elected officials and City staffs are dedicated to using these resources to provide the community with the most efficient and effective services possible. The budget details how resources will be used to maintain and enhance the quality of existing services. Several principles have been established to guide the City during the budget process, including:

- ◆ Planning for the future, setting long-term goals, and providing a sense of direction to the community.
- ◆ Providing economic development efforts in order to retain and expand jobs and investment in the community.
- ◆ Renovating and improving City infrastructure to meet the needs and encouraging development of the commercial, industrial, and residential areas within the City.
- ◆ Providing efficient and effective City services with the resources allocated by the community.
- ◆ Actively search for additional sources of revenue to help fund the redevelopment of neighborhoods in the City of Rockford.

City officials use these objectives to guide their internal organizational decision making process. However, officials must also consider opportunities and challenges presented by the external environment during the development of the budget. Some of the issues the City will focus on in the forthcoming budget year include:

- ◆ Improving the quality of life for residents of the City's older neighborhoods.
- ◆ Investing in the downtown area and encouraging others to develop commercial and residential projects.
- ◆ Assessing City services for efficiency and possible cost saving measures.
- ◆ Continuing investments in information technology to provide improvements in the effectiveness and efficiency of City services.



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- ◆ Maintaining the City's solid financial condition.
- ◆ Maintaining a stable tax rate.
- ◆ Making incremental service adjustments to reflect changing community needs.

### ***Challenges for the Community***

While the national economy is showing signs of recovery, the local economic environment and the impact it has on the City's available revenue continues to present a challenge. The City must continue to carefully balance its priorities in order to maintain the quality of services and public infrastructure. Further stagnation in revenues will require the City to reassess the services it provides and make adjustments to maintain a balanced budget.

Financial challenges in upcoming years include fully funding capital equipment as part of the City's annual budget. After not purchasing capital equipment in 2002 and 2003, the City issued \$3.2 million in bonds to cover capital equipment purchases for 2004 and 2005. The 2007 and 2008 budget addressed capital equipment through various fund revenues and capital project needs through an approved 1% sales tax referendum. The 2009 and 2010 budgets did not include any capital equipment purchases. The 2011 and 2012 budgets required capital equipment purchases due to equipment reaching its life expectancy. The City Council approved a Vehicle Leasing Policy that will implement the replacement of vehicles over a four-year period for all City departments to meet the needs of the aging fleet, which will add to the deficit projection in 2013.

### ***The 2012 General Fund***

The City of Rockford, like many other communities in Illinois and across the United States, has seen moderate growth in its sales, use, income, and replacement taxes, commonly referred to as elastic revenues. These revenue sources increased just over \$3 million, or about 5%, in 2011.

The 2012 budget process began with the City projecting a large deficit. A status-quo budget was presented in August followed by recommendations to reduce the deficit to work towards a balanced budget that would be approved by the end of 2012. The local economic environment and the impact it has on the City's available revenue continues to present a challenge. The City must continue to carefully balance its priorities in order to maintain the quality of services and public infrastructure. Further stagnation in revenues will require the City to reassess the services it provides and make adjustments to maintain a balanced budget.

2012 employee contracts, pensions and health insurance costs make up the largest increases in the budget.

The City Council passed the 2012 budget in December. This budget allows the City to maintain the necessary fund and cash balances as well as allowing the 2013 budget process to begin on a sound financial footing.



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### ***Overview of the 2012 Budget***

The City of Rockford is similar to many municipalities because it has limited resources to devote to the various challenges facing it. However, because Rockford is a non-home rule municipality, we have fewer options than all other cities in Illinois of any size. This was particularly apparent when preparing the budget for 2012. Resource constraints forced City officials to assess the external environment and utilize the budget development principles described above to prioritize among competing needs. The overall goal of this budget is to maintain existing services; however, City officials prioritized several projects to address the issues discussed above. Consistent with a maintenance budget, many of these priorities are a continuation of initiatives from previous years.

The Community Development Department will manage the many TIF districts the City has and their associated development projects. The Code Enforcement Division continues to address violation of ordinances, zoning regulations, and public safety concerns.

The Human Services Department continues to support programs from other areas of the City, including Drug Free, Shelter Care, and Supportive Housing.

The Police Department will address continue efforts towards geographic community policing programs, using their records management system to better deploy resources and respond to potential problems while continuing to reduce overtime costs. The Police Department will also address recruit testing in 2012 to bring staffing levels to the full authorized strength.

The Fire Department will continue to maintain certifications and accreditation requirements and implement the Quick Response Vehicles.

The Legal Department will be the lead department in labor negotiations, code enforcement, annexation efforts, and City projects.

The Public Works Department will be aggressive in repairing and improving bridges and roads in the City, expanding forestry service, and getting new leased vehicles into service.

### ***Financial Summary***

With the 2012 budget, the City was able to continue its goal of maintaining a stable operating property tax rate for citizens with declining debt service rate as a result of the 1% tax referendum. The 2012 budget adopted an estimated property tax rate of \$2.93.

In addition to financing capital improvements through sales tax revenues, the City will continue to utilize dedicated revenue streams for specific purpose projects. Examples of these projects include sanitary sewers, parking facilities, and water improvements. This allows the City to maintain a competitive tax rate, while capturing contributions from those in the community who live outside of the City but use its resources on a regular basis. Dedicated revenue streams also ensure that users pay for the services they receive.



*Lawrence J. Morrissey*  
Mayor

## **Operational Highlights**

The City's service provision efforts are divided into five program areas including Legislative and Management, Community Development, Human Services, Public Safety, and Public Works. Each of these areas encompasses multiple departments performing specialized activities that collectively compose the functions associated with the program area.

The Legislative and Management departments provide policy direction and administrative services for the rest of the municipal organization. The departments in this area will be engaged in many projects to enhance the operational effectiveness and efficiency of the City. The Mayor's Office will continue to provide leadership and direction to City staff and policy makers. The Legal Department will be the lead department in labor negotiations, code enforcement, annexation efforts, acquisition of properties for the federal courthouse, and City projects. The Information Technology Department will handle a number of large projects, including the acquisition and implementation of a customer service system. The Finance Department will manage a new customer service center and new leasing program.

Several activities and projects will be occurring in the Community Development program area. The department will assist in the development of a comprehensive economic development strategy for the City and Winnebago County. The Weed and Seed program will also be continued in 2012.

The City's Human Services Department will remain an important resource to City residents in the coming year. The Head Start program serves approximately 790 children in four different programs which include home base schooling, part day classes, students in full day classes, and family plus. The Department plans to continue this service despite federal funding challenges.

There are a variety of programs that provide assistance to economically disadvantaged families. The energy program focuses on replacing furnaces, cleaning and tuning older systems, and repairs to electrical, plumbing, and roofing. The department operates the energy assistance program that assists low-income families and individuals with their heating bills.

Public Safety services provided by the City include police and fire protection. The Police Department is utilizing their new records management system to better analyze crime data and allocate resources. The Fire Department continues to upgrade equipment and train its firefighters to better serve the citizens of Rockford. The two departments will continue to develop their role at the airport. The City is maintaining an Insurance Services Organization (ISO) fire protection rating of two, which places the City in the top one percent of the nation. A lower rating benefits residents and businesses through better rates for fire insurance. In addition, the Fire Department received International Accreditation in August 2011.

The Public Works Department will remain proactive in meeting the needs of our citizens through the planned maintenance of our roads, right of ways, and public assets. The department will continue to implement a Capital Improvements program which will focus on improving our infrastructure through the investment and leverage of the 1% sales tax.



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### ***Conclusion***

On December 19, 2011, the City Council adopted the 2012 budget after the Finance and Personnel Committee had finished its review of the proposal. This budget is the result of considerable, careful discussion and deliberation by the City Council, the Finance and Personnel Committee, the Finance Department, and various staff members from every department who contributed to the development of departmental budget requests. I would like to thank them, as well as department heads and staff members, for participating in this important process. This budget serves the public interest in describing and providing the resources for the provision of City services and products to its customers.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Rockford  
Illinois**

For the Fiscal Year Beginning

**January 1, 2011**

*Linda C. Dawson Jeffrey R. Eno*

President

Executive Director

## CITIZEN'S BUDGET HIGHLIGHTS

The City's goal in developing the 2012 budget was to continue offering citizens basic services, economic development efforts, a continuing capital improvements program, and fiscal stability. Development and adoption of this budget was premised on maintaining a level of service equivalent to 2011, making incremental improvements where possible, and continuing to comply with the limitations of the Property Tax Extension Limitation Law (Taxcaps).

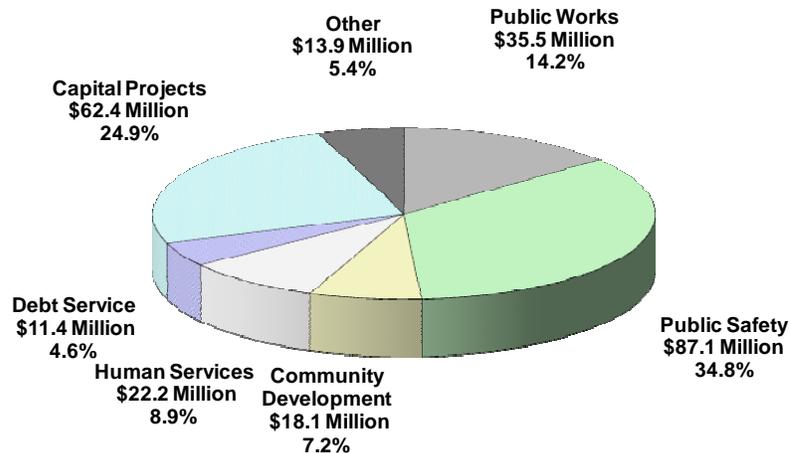
### PROGRAM EXPENDITURES

The budget appropriation in 2012 is \$250.6 million for all funds, a decrease of \$1.6 million from the 2011 appropriation of \$252.2 million. Major program changes for 2012 include:

Community Development's appropriation decreases \$513,000. Decreases are the result of a reduction in permanent salaries, health insurance and IMRF costs, the elimination of TIF development costs and Brownfield grants, and decreases in cleanups and demolitions.

Public Safety's appropriation increases \$3.9 million. Increases are the result of contract increases and pension costs in Police, Fire, and 911 Communications budgets.

**City of Rockford, Illinois  
2012 Budget -- Where The Money Goes  
\$250.6 Million -- All Funds**



(2011-\$252.2)

Human Services' appropriation decreased \$2.1 million from 2011. Decreases for Human Services are due to a decrease in Weatherization personnel. Expenses that directly impact the community, such as homeless prevention and housing assistance decreased as well. Decreases in contractual expenses occurred due to the completion of additional federal ARRA funding for a number of programs.

The Public Works budget increases \$578,000 from the previous year's budget. Personnel costs increased and as a result, IMRF and health insurance expense also increased.

The budget for Debt Service decreases \$910,000 from 2011 to 2012.

The Capital Projects Fund budget for 2012 changed slightly from the previous year. Projects that will begin in 2012 include total reconstruction of W. State Street and the Morgan Street Bridge and construction of Main and Auburn Roundabout.

In the Other category, the decrease of \$2.4 million is due to a decrease in contractual services offset by decreases in permanent salaries, pension and health insurance expenses in the Health Insurance Fund, Workers' Compensation Fund, Risk Management Fund and the Legislative and Management departments within the General Fund.

## REVENUES

For 2012, the revenue budget is \$269.5 million for all funds, an increase of \$2.2 million from 2011's \$267.3 million.

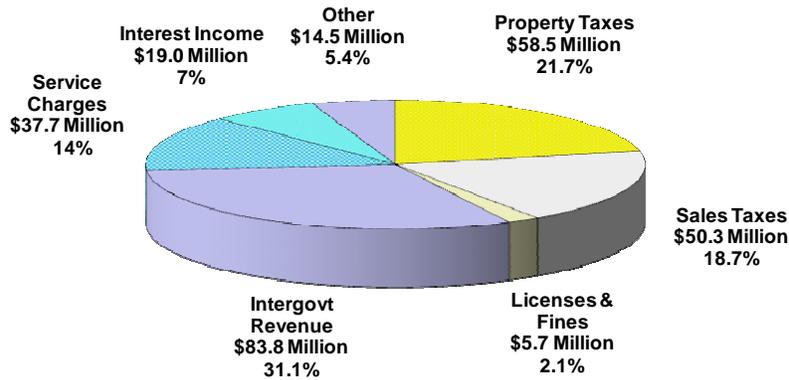
The 2012 revenue budget emphasizes:

- A stable property tax levy.
- Continued emphasis on user fees including systematically updating the rates to keep pace with costs.
- Ongoing efforts to aggressively capture federal and state revenues.

Major revenue changes for 2012 include:

Sales tax increased \$1.5 million due to improvement in the current economic conditions.

**City of Rockford, Illinois  
2012 Budget -- Where The Money Comes From  
\$269.5 Million -- All Funds**



(2011 - \$267.3 Million)

Service charges increase \$384,000 from the previous year total of \$37.3 million due to a stabilization in turn-off fees for the water utility as customers became accustomed to monthly water billing.

Intergovernmental revenues from federal, state, and local governments are projected to decrease \$2.4 million from 2011.

Property taxes decreased \$351,000 from the 2011 total due to a decrease in the EAV.

Interest income increased \$1.9 million from the 2011 total of \$17.1 million due to the increased revenue from police and fire pension investments.

**ACCOUNT EXPENDITURES**

The 2012 City Budget, when viewed from a line item rather than a program perspective, illustrates the fact that over forty percent of the budget is attributable to personnel and infrastructure improvements. This reflects the fact that the City is a labor intensive service organization with 1,100 employees and has a considerable investment in streets, bridges, buildings, and water and sewer systems that must be maintained and renewed.

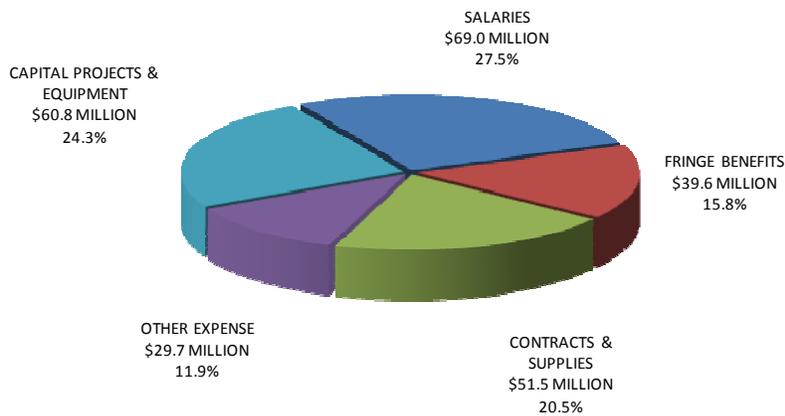
Major spending changes by account type for 2012 are:

Salaries increased \$1.1 million as a result of contract increases.

Fringe benefits increased \$3.0 million as a result of health insurance premium increases and pension increases.

Contractual and supply accounts decreased \$3.8 million. Human Services contributed to this decrease as a result of an decrease in service contracts. In addition, the health insurance fund went down due to decreased medical and pharmacy costs.

**City of Rockford, Illinois**  
**2012 Budget -- \$250.6 Million**  
**All Funds Combined By Account Classification**



**(2011-\$252.2 MILLION)**

Capital projects decrease \$372,000 from the 2011 budget, with available funding for transportation and economic development initiatives. Projects scheduled to begin in 2012 include total reconstruction of W. State Street and South Main Street and the Main and Auburn Roundabout.

Other expenses are projected to decrease \$1.5 million.

## COUNCIL CHANGES TO THE BUDGET

The Council received the budget on August 20, 2011 and referred it to the Finance Committee. The Committee, after holding three budget hearings with departments, approved the budget on December 19, 2011.

## WHAT THE 2012 BUDGET WILL COST THE TAXPAYER

The 2012 budget continues stability for the Rockford homeowner. For a homeowner with a \$100,000 home, the rate and cost for 2008 – 2012 are shown below.

Property Tax Bill (City Portion Only) For Home With \$100,000 Market Value 2008-2012 Levy Years		
<u>Year</u>	<u>Rate</u>	<u>Bill</u>
2008	2.21	615
2009	2.23	610
2010	2.35	645
2011	2.49	681
2012	2.68	733

Whiles the rates are anticipated to increase for 2011 and 2012, the increase is a reflection of decreasing equalized assessed valuations (EAV). The levies, as always under non-home rule tax rates and the property tax extension limitation law (tax caps), are limited as to increases. If EAV decreases, the tax rates will rise to maintain the status quo.

The City continues to use and to selectively adjust user fees so that those who use certain services pay for them rather than passing the costs on to all taxpayers through property taxes. Through a combination of property taxes and user charges, quality city services will be offered at a reasonable cost to the residents of Rockford.

## HOW TO USE THIS DOCUMENT

This budget document is intended to provide Rockford Citizens with information about 2011 City government and services.

The Table of Contents lists every subject covered in this document and its' page number. The document is organized under three major headings composed of a total of eight divider sections (Roman Numerals).

### INTRODUCTORY SECTION

- I. Executive Summary
  - Citizen's Budget Highlights
  - How To Use This Document
  - The Budget Process and Document
  - Significant Budget Issues

### PROGRAM SUMMARIES

- II. Legislative and Management Services
- III. Community Development Services
- IV. Human Services
- V. Public Safety Services
- VI. Public Works Services
- VII. Non-Operating Funds

### SUPPORTING INFORMATION

- VIII. Supplemental Section
  - Summary Schedules
  - Financial Policies

This budget is a financial plan relating proposed City services for the year with the estimated means of financing them. The budget is prepared on a basis sufficient to accommodate accounting, legal and management requirements.

The 2012 budget is comprised of sixty-six (66) budgetary units. A budgetary unit can be defined as either a department, such as the Police Department, or a division of a department, such as the Street Division of the Public Works Department. A department, utilized in a managerial fashion by the City, can be by fund, such as the Library Fund or can be part of a fund, like the Fire Department in the General Fund. It also can consist of parts of the General Fund as well as other funds, such as the Community Development and Public Works Departments. An accounting fund(s) can be a department, like the 911 Communications Fund, or a division of a department, such as the Water Fund in Public Works.

Each city budgetary unit, regardless of accounting fund, is assigned to a program category, i.e., Police to Public Safety. For those readers interested in the City budget from a purely fund accounting point of view, the summary schedules in the appendix address that need as does the

Revenue and Financing Changes section in the summary's Significant Budget Issues. Revenues from a program perspective are discussed under each department.

The description of each budgetary unit and its programs is structured as follows:

- Budgetary Unit Summary
  - Mission Statement
  - Primary Functions
  - 2011 Accomplishments
  - 2012 Goals and Objectives
  - Budget Summary  
(2010-2012 Expenditure and 2009-2012 Staffing  
Review, 2011-2012 Funding Analysis)
  - Budget Analysis
  - Information and Statistics
  - Capital Equipment
  - Personnel Review
  - Performance Measures

The City utilizes a cost center budget with a cost center defined as the budget for a specific service being delivered. The primary advantage of cost center budgeting is that it gives policy makers and management exact information concerning a service and its associated costs for the decision making process. The cost center provides a description of the service being provided, how it is being provided and the service unit being delivered. For example, cost centers in the Fire Department budget are categorized by function such as Ambulance or Arson Investigation. The budget for a cost center includes all costs associated with providing the particular service—labor, fringe benefit, contractual, supply, interest and capital expenditures.

Additional information on the City's fiscal affairs is available in the following documents at City Hall:

- City Financial Statements
- City Annual Report
- City Capital Improvements Program

The Finance Department staff is also available to answer any questions citizens may have on the City's financial affairs:

City of Rockford - Finance Department  
425 East State Street  
Rockford, Illinois 61104  
(815) 987-5643

## **BASIS OF BUDGETING**

The City's budget is prepared on the gross, rather than net budgetary basis. In order to associate costs with services, revenues and expenditures for pensions and certain other fringe benefits are budgeted by premium or unit/percentage allocation in departments providing services and are then transferred to funds that provide for the actual expenditures.

All revenues and expenditures that result from transfers between funds are adjusted to eliminate overstatements when all funds are consolidated.

While the 2011 audit is not yet completed, the 2011 actual revenues and/or expenditures used herein are materially correct.

The budget for the City of Rockford general government funds (these include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds) is prepared on a modified accrual basis consistent with Generally Accepted Accounting Principles. This means that expenditures are recorded when the related fund liability (such as an outstanding purchase order) is incurred and revenue is recognized when measurable and available. Expendable trust and agency funds are also prepared on the modified accrual basis.

Enterprise Funds, Internal Service Funds, Non-expendable Trust Funds, Pension Trust Funds, and Component Units are budgeted according to accrual accounting. These funds recognize revenues in the accounting period in which they are earned and become measurable while expenses are recognized in the period they are incurred. Budgeting for these funds is also consistent with Generally Accepted Accounting Principles.

The City attempts to use Generally Accepted Accounting Principles when preparing the budget, one exception is noted:

For budget purposes, Proprietary Funds expense compensated absence liabilities when paid to employees as opposed to GAAP statements which require these liabilities to be accrued as earned.

## **THE PROCESS, PUBLIC INVOLVEMENT, AMENDING THE BUDGET**

The City's fiscal year is the calendar year and its budget cycle is an annual one. By Illinois State Statutes, the Council must pass a budget prior to the end of the first quarter of the proposed budget year. During the first quarter of the proposed budget year, if the Council has not yet adopted a new budget, departments operate under the prior year's budget. Typically, the process begins sometime in March/April and ends at some point before the beginning of the budget year.

### **THE 2012 PROCESS**

The 2012 process began early in 2011 due to projected General Fund deficit. Two Saturday hearings were held in August, followed by one hearing held in September and one in October to achieve budget approval by the end of 2011. Since 2003, two hearings have been held every year with the exception of 2005. The schedule of events is shown in the Budget Timeline, beginning on Page EX-10.

### **PUBLIC INVOLVEMENT**

It is the City's policy to keep citizens informed during the budget process and to seek public input. In addition to holding public hearings, the City also makes available, before and after adoption, other summary and detail information. The City's efforts are assisted by extensive media coverage (daily newspaper, four television stations and a number of radio stations).

### **AMENDING THE BUDGET**

The State of Illinois provides two avenues for budget (Appropriation Ordinance) amendment.

The City Council, at any time after the first half of each fiscal year, by a two-thirds vote of all members, may make transfers within any department of funds appropriated for one corporate purpose to another.

During any part of the fiscal year, the Council may adopt a supplemental Appropriation Ordinance in an amount not in excess of the aggregate of any additional revenue available to the City, or estimated to be received, subsequent to the adoption of the Appropriation Ordinance for that fiscal year. Such a supplemental Appropriation Ordinance shall affect only revenue that was not available for appropriation when the annual Appropriation Ordinance was adopted.

**CITY OF ROCKFORD, ILLINOIS  
BUDGET TIMELINE  
THE 2012 PROCESS**



March 2011	Finance Department prepares preliminary budget estimates and discusses budget policies for the forthcoming year with the Mayor.
May – June 2011	Public Works Department begins work on updating the five-year Capital Improvement Program.
June 2011	Finance Department determines budgetary allocations. Departments receive budget packages.
July 2011	Departments complete and return budget packages to Finance Department for review.
July – August 2011	Finance Department reviews Department budgets and prepares a budget draft.
August 2011	Mayor’s Office reviews budget and presents budget to Council.
August – October 2011	Finance Committee and Council, as Committee of Whole, hold budget hearings (August 20 <sup>th</sup> , August 27 <sup>th</sup> , September 10 <sup>th</sup> , October 22 <sup>nd</sup> ) with City Departments.
September – October 2011	Mayor submits 2012-2016 Capital Improvements Program to Council for Committee review and approval.
October 24, 2011	Council adopts 2012-2016 Capital Improvements Program.
<b>December 19, 2011</b>	Finance Committee approves budget and submits to Council (Committee Report). Council holds State Budget Act public hearing for citizen input. Appropriation Ordinance and 2012 Budget Committee Report adopted by Council.

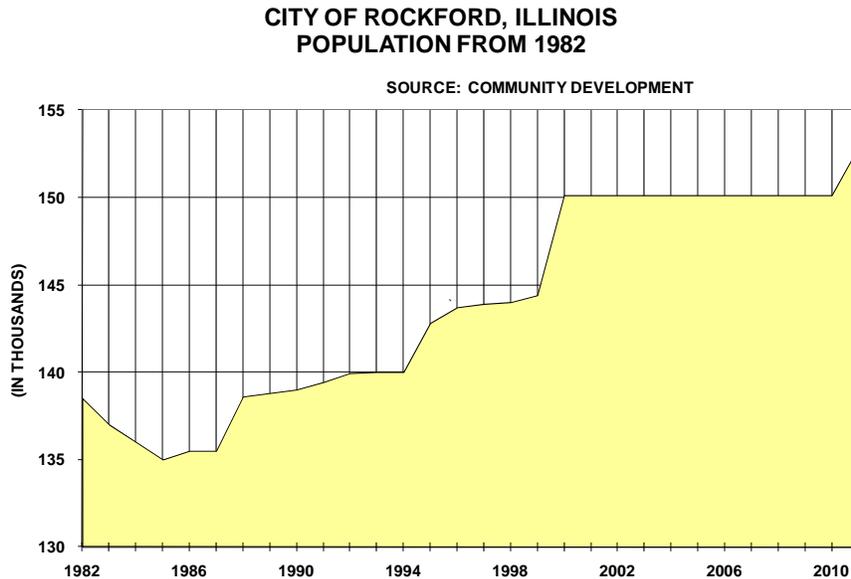
## FINANCIAL PLANNING — THE KEY TO THE FUTURE

Beginning in 1984 with the General Fund, the City incorporated long-term financial planning into its budget cycle. In 1989, the planning process was expanded to incorporate the balance of the City's budget. Each year the budget staff updates selected trends and the five-year forecast. In conjunction with this, the City has from time to time used a financial task force of business and financial executives who review and discuss the trends, assumptions, and proposed forecasts. In addition, the group reviews financial policy proposals that the staff develops for Council approval.

Since their inception, the planning process and the financial advisory group have guided the development of financial policies for budgeting, cash flow management, infrastructure improvement, and investment guidelines. In addition, the planning process has provided policy makers with the opportunity to view the possible future and temper today's decisions accordingly.

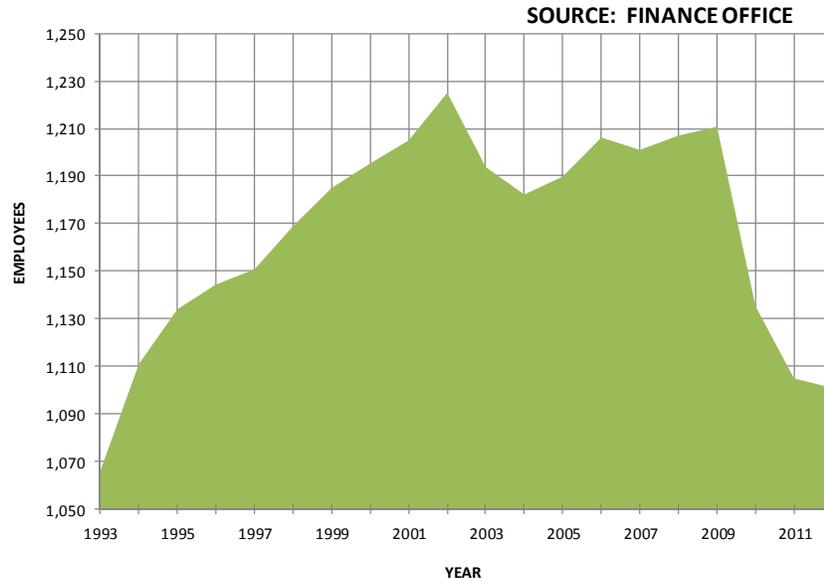
### SELECTED TRENDS

One key to the financial planning process is gathering information about trends that affect the City's financial future. One set of trends the City continually examines is demographics such as population, jobs, and unemployment. The 2010 census of 152,871 was 2,756 (1.8%) greater than the 2000 census of 150,115. The population is expected to increase gradually over the next few years. The transformation of the local economy, the City's ongoing annexation program, and the selection of Rockford as a choice of residence for Chicago suburbanites contribute to the City's increasing population.



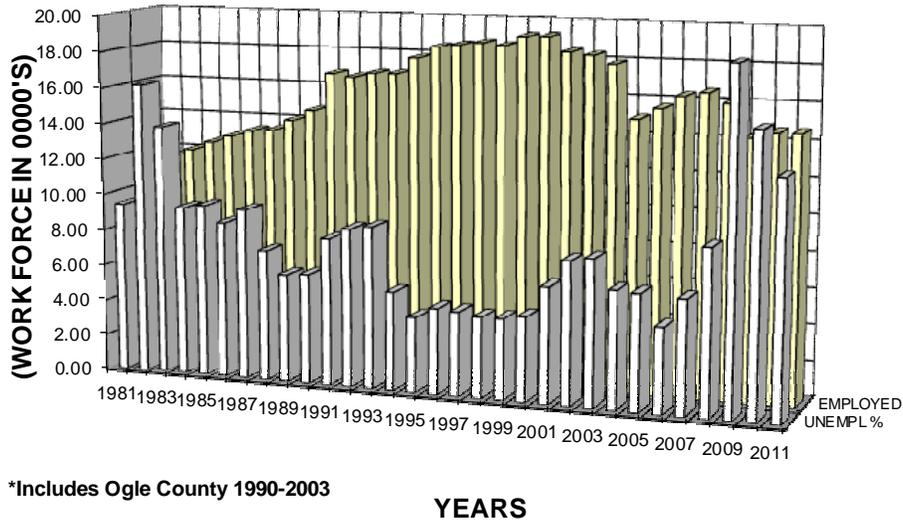
During the 1980's, the City took steps to keep the ratio of its employees and population in proportion. Since then, the City has maintained a constant ratio of employees per thousand residents. This ratio should continue to remain stable in the future as both the population and the City work force incrementally increase.

**CITY OF ROCKFORD, ILLINOIS  
MUNICIPAL EMPLOYMENT 1993-2012**



Although the City continues to attain an increasing population, the last few years have been difficult for the manufacturing industry. Unemployment in the City and County in general has been higher than state and national averages. Strong local economic development efforts by organizations such as the Chamber of Commerce, the Rockford Area Economic Development Council, and the City of Rockford continue to recruit additional employers to help reduce the unemployment rate in the City and surrounding area; however, the unemployment rate may continue to increase over the next few years.

## CITY OF ROCKFORD, ILLINOIS JOBS AND UNEMPLOYMENT SINCE 1981 IN THE ROCKFORD MSA\*



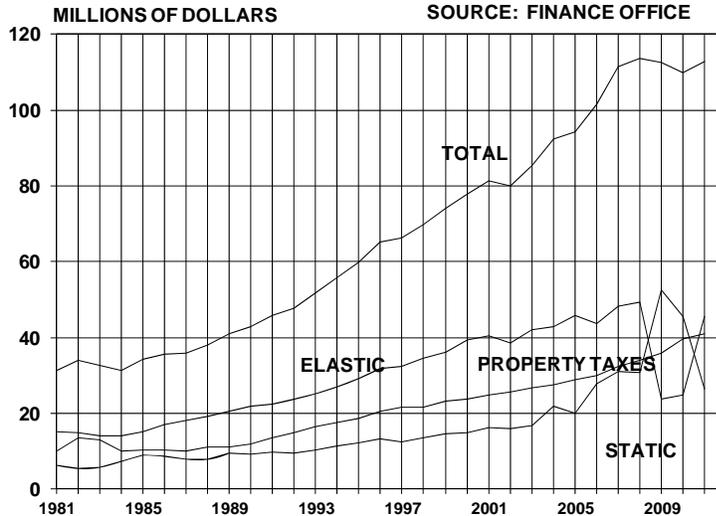
\*Includes Ogle County 1990-2003

SOURCE: STATE OF ILLINOIS

Employment in the Rockford MSA for December 2011 was approximately 146,467, an increase of 75 from 2010. Overall, total employment has decreased 12.2% from 1991 to 2010.

In addition to demographic trends, the City also follows revenue trends for its General Fund. All City revenues can be classified as property taxes, elastic revenues, and static revenues. Property taxes are a tax levied on real property. Elastic revenues are defined as those revenues that tend to change with economic conditions, such as sales taxes and income taxes. Static revenues, the balance, are revenues that change only by increased population and/or legislative change. Examples of these are building permits, liquor licenses and magistrate fines.

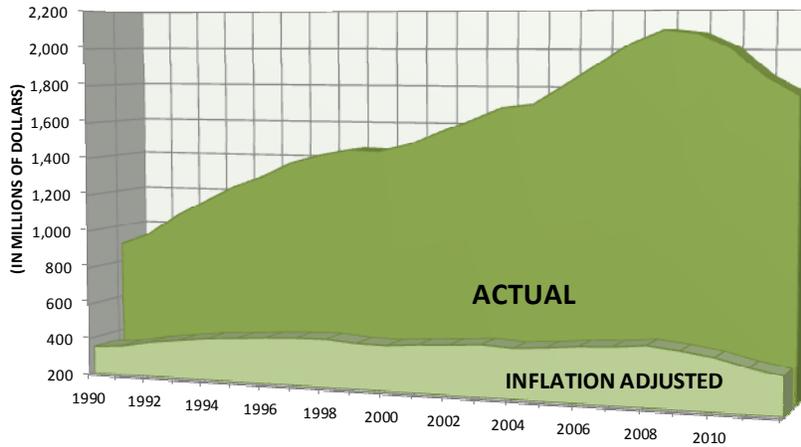
**CITY OF ROCKFORD, ILLINOIS  
GENERAL FUND REVENUE SOURCE  
COMPOSITION YEARS FROM 1981**



An economic expansion or recession would have a greater effect on elastic revenues than on the other two types. The General Fund Revenue Source Composition Graph illustrates this point well. Property tax rates, controlled by elected officials, were flat until the early 1980's when they were increased for several years. After a home rule referendum in 1984 in which voters imposed certain tax rate limitations, property tax rates have decreased and remained relatively stable ever since. Increases in property tax revenue are a result of growth in the tax base, the consumer price index factor in the PTELL law, and debt service expenditures approved by referendum.

Elastic revenues increase throughout the period illustrating their ability to grow with the economy. In order to maintain a well-balanced mix of revenue sources, the City needs to continue to emphasize the growth of elastic revenues as well as static revenue sources through economic maintenance and development.

**CITY OF ROCKFORD, ILLINOIS  
EQUALIZED ASSESSED VALUATION  
1990-2012**

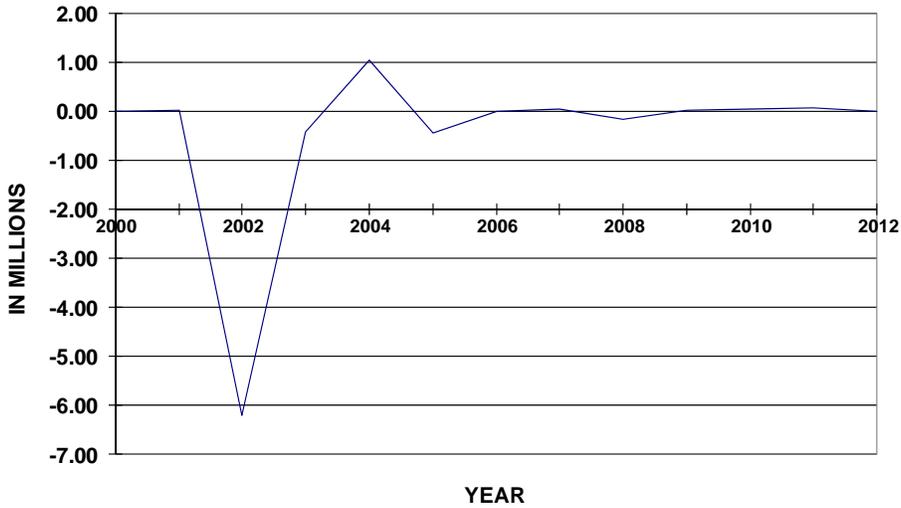


SOURCE: FINANCE OFFICE

For 2012, Rockford's equalized assessed valuation (EAV) is estimated to decrease 7.0% to \$1.772 billion. 2011 EAV decreased \$100 million (-5%).

The City has been successfully achieving fiscal management goals since 1981, following the development and implementation of responsive and proactive financial policies. However, the last few years have been more challenging because of lower than anticipated elastic revenues as a result of the slowing economy. After planned and actual budget deficits in the late 1970's, the City has adopted balanced General Fund budgets for 28 of the last 30 years. As a result of current economic conditions, City operations and expenses have been curtailed to avoid deficit spending.

**CITY OF ROCKFORD, ILLINOIS  
GENERAL FUND BUDGET EXCESS (DEFICIT) OF  
REVENUES OVER EXPENDITURES  
YEARS FROM 2000**



Added together, these year end surpluses have improved the cash and fund balances of the General Fund from negative to positive. 2012 is a balanced budget year. It is the City's intention to maintain a positive cash and fund balance by limiting the short-term borrowing of funds and to continue past practices of balancing budgets, avoiding deficits, and maintaining adequate cash in the future.

The financial trends discussed in this section provide the City policy makers with a sense of direction as they make decisions that affect the City's future. Examining these past trends and extrapolating them into the future gives decision-makers information that allows them to chart a direction for the City.

## ASSUMPTIONS

The City's five-year forecast for the General Fund (one-half of the City budget and the one with the most flexibility as to revenues and services) is based on certain assumptions. Certain important assumptions include:

<u>REVENUES</u>	<u>ASSUMPTION</u>	<u>PERCENT BUDGET SHARE</u>
Assessed Valuation (Percent)	(-7.0) – 0	31.3
Uncollectible Factor	0 – 1.0	
Sales and Other Taxes	0 – 3.2	26.8
Cable TV, Gas Licenses	-8.7	1.5
State Income Tax	-0.5	10.5
State Replacement Tax	0.0	5.2
Inspections	0 – 3.0	1.0
Federal/State/County	0.0	4.9
All Other	0.0	8.4
Service Reimbursements	0 – 5.0	5.7
Tax Levy Reimbursements	0 – 3.0	4.7

## EXPENDITURES

All Salary & Wage Compensation (Percent)	0 – 2.0
Fringe Benefits	0 – 20.0
Contracts, Supplies, and Other Expense	0 – 3.0
Interest Expense	0 – 3.0
Capital Expense	0 – 5.0

## 2013-2017 PLAN

These assumptions, when applied to General Fund budget estimates for future years, produce the following excesses or deficits of revenues over expenditures.

<u>Year</u>	<u>Excess (Deficit) (In 000's)</u>	<u>Percent of Total Budget</u>	<u>Cash Policy Test (70% Minimum)</u>
2013	1,164	1.0	11
2014	(3,384)	-2.9	7
2015	(4,749)	-3.9	3
2016	(6,364)	-5.0	-4
2017	(8,144)	-6.2	-12

NOTE: For the revenue and expenditure detail supporting these, refer to the General Fund summary schedule in the Supplemental Section.

Property taxes in Illinois are levied during a budget year but are not collected until the following year after the money has already been spent. At that time, they are collected in two payments, June and September. As will be discussed in the next section, Cash Management, this tax timing

issue and the timing issue with State shared revenues require sufficient cash to be on hand to finance operations. If the City does not have sufficient cash reserves, it will have to borrow from outside sources.

While home rule cities simply have one levy for all purposes, non-home rule cities such as Rockford have specific purpose levies. Some of these levies, for example, for retirement purposes, are unlimited; others have specific rate limitations that apply, i.e., corporate (43.75 cents/\$100 EAV), police protection (60), fire protection (60), street (10), sanitation (10), library (60), and library maintenance (2), for specific levies. If a levy divided by the final EAV exceeds the rate limitation, then the County Clerk will reduce that specific levy.

For budget years 1997 and thereafter, voters in Winnebago County approved tax caps for all units of government including the City of Rockford. The tax cap law (Property Tax Extension Limitation Law) can be defined as limiting the proposed budget year's property tax extension increase to the lesser of the consumer price index (CPI) or five percent plus the new money generated by new construction and annexations. While rate limitations are specific to individual levies, tax caps are applied to the overall tax levy extension, excepting referendum approved debt service. Thus, an individual levy could be affected by its rate limitation and the overall City extension could be impacted by tax caps.

For 2012, the estimated property tax revenue loss due to tax caps is \$0.3 million. For the 2013 – 2017 planning period, tax cap losses occur annually and range from \$67,000 to \$455,000.

The 2012 operating tax rate is expected to increase marginally while the debt service rate will decrease. The increase is due to decreasing assessments and marginal CPI while the debt service decrease is due to the City ending its use of bonding to fund its infrastructure program. Property tax dollar growth will occur due to new construction and annexations as well as from the dollars generated from the CPI formula. Property tax revenue will increase moderately due to statutes, local economic conditions, and increased annexations into the City. The long term will see the City begin to rely more on user fees and other taxes as well as making certain service reductions.

Future assumptions are set to insure that revenue production will be maximized; however, expenditures will be planned to match expected revenues.

This five-year budget forecast indicates annual deficits for nearly the entire period. Since the City has operated with a surplus for most of the last two decades, it may be that actual revenues will again exceed budgets and departments will under expend their budgets. This scenario may eliminate these initial deficits.

If this does not occur, then the City's cash policy test, required to be 70% of the General Fund tax levies and tax reimbursements in order for the City to avoid borrowing, will decrease. This would require the City to find alternative cash flow sources either from other city funds or the outside. This has been the case as the 2008 – 2010 losses have required external borrowing to finance non General Fund cash flow needs.

While the City faces potential deficits in its newest five-year plan, the history of its past experience illustrates that, by calling attention early to possible problems, solutions are sought and, as the deficit years get nearer, the size of the problem diminishes.

The City will review operations to seek solutions to the growing deficit by addressing efficiency and effectiveness of City services. The City plans to implement a capital leasing plan that will allow for the replacement of the aging fleet and is projected to save the City \$1 million in maintenance expenses. The City will continue to review the health insurance plan and the employee premiums to look for cost savings.

## CASH MANAGEMENT— MAXIMIZING RESOURCES

Each year the City adopts a budget. At the same time, this budget is converted into a cash budget internally to determine the cash flow for the budget year. Two revenue issues require consideration, property taxes and timing issues with shared revenues from the State. This requires the City to provide interim financing, internal or external, for certain operating funds. These funds and their percentage of revenue that is property tax are as follows.

### PROPERTY TAXES AS A PERCENTAGE OF REVENUE FOR CERTAIN FUNDS

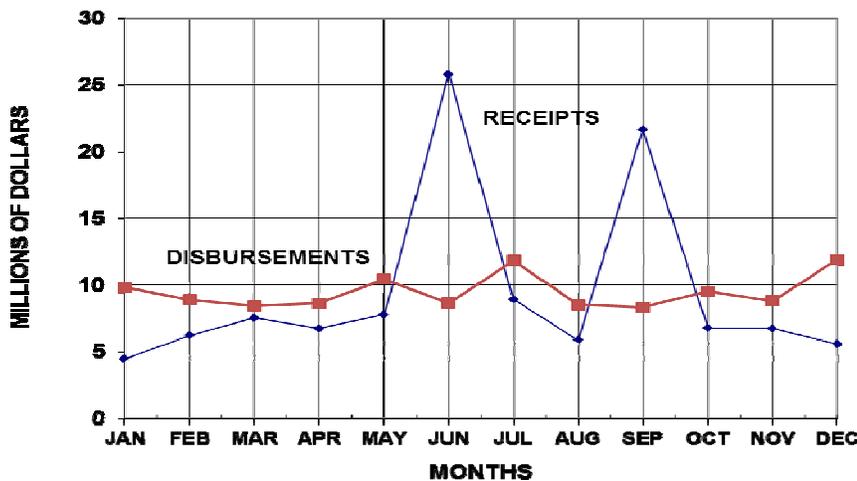
	<u>General</u>	<u>Sanitation</u>	<u>Library</u>
2008	28.8	22.9	81.6
2009	32.1	23.5	82.8
2010	36.0	0.2	78.6
2011	36.4	0.2	85.9
2012	37.0	0.2	87.1

The range of property tax revenue varies from nearly negligible for the Sanitation Fund to just over three of every four for the Library Fund.

### UNDERSTANDING CASH FLOW

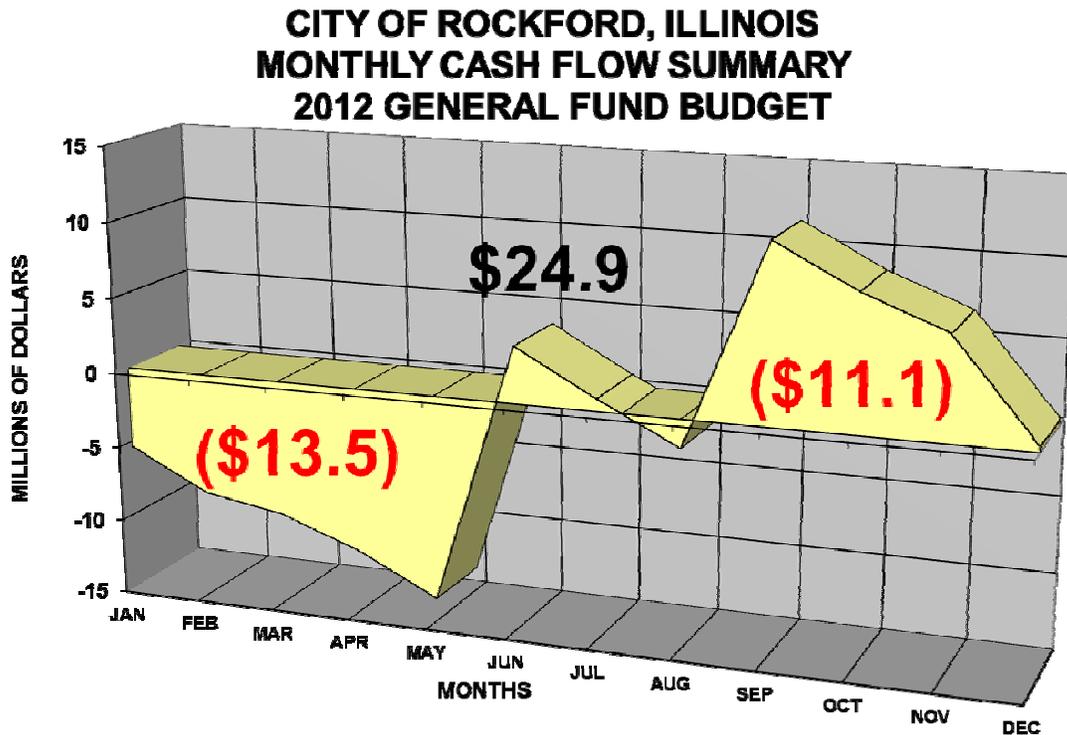
To completely understand the importance that property tax revenues have in cash management, the 2012 cash flow forecast summary for the General Fund graph is useful in illustrating the timing problem.

**CITY OF ROCKFORD, ILLINOIS  
CASH FLOW FORECAST SUMMARY  
2012 GENERAL FUND BUDGET**



Illinois property taxes are collected the year after the budget for which they were authorized in two payments: June and September. As noted above, the collection of over a quarter of the fund's revenues distorts any semblance of an orderly flow of revenue that matches expenditures.

This produces a cash draw down for the first five months of a fiscal year as the monthly cumulative summary illustrates.



For the General Fund, the 30% range for property taxes as a percentage of total fund revenues and the elastic revenue surpluses have generated sufficient cash for internal financing. The Sanitation Fund changed in 2010 from being financed by property taxes (20%) and user fees (80%) to being totally financed by user fees. The result is an almost ideal match of revenues and expenditures. Due to its heavy reliance on property taxes, the Library Fund utilized short term financing internally until 2005.

#### CASH POLICY REVIEW

The first City Financial Task Force recommended that the City develop balances that would allow it to accomplish two objectives:

- Reduce or eliminate the need to obtain short-term borrowing to cover operating expenses, and;

Offset fluctuations caused by yearly excesses (deficits) of revenues over expenditures.

The current cash balance policy is:

Assure adequate cash balances are available to meet the City's anticipated disbursements. Prior to budget deliberations, the Finance Department will annually develop cash flow analysis and recommend cash balance goals at specific points in time to meet those disbursements.

For 1987, a minimum cash balance equal to 70% of those levies that support the General Fund is recommended to be in effect at the beginning of the City's fiscal year, January 1.

The Council policy for the use of above 70% excess funds is:

Those funds available in excess of the minimum cash balance may be reappropriated for other municipal purposes by the City Council. The use of these funds should be limited to non-recurring expenditures outside of the City's operating budget. Funds may also be used for abating taxes if the City Council so approves.

In the past, excess funds have been used for capital construction needs. Due to increasing cash flow requirements and decreasing surpluses, excess funds have not been available since 1989. 2012 cash flow demands will absorb all available funds.

#### CASH MANAGEMENT IN 2012

As in 2011, the City will utilize a \$15 million line of credit during the first five months of the fiscal year. It is anticipated that \$12 million will actually be drawn down. The line of credit will be repaid in June and September from the receipt of property taxes. While the General Fund almost has adequate cash, \$14.1 million, to deal with its beginning year mismatch, due to the operating losses in the last two years, common cash pool loans to other funds will have to be financed externally.

With General Fund levies increasing \$1.5 million in 2011 and \$1.4 million in 2012 (primarily due to increasing public safety pension contribution requirements), cash needs have increased.

It is anticipated that excess funds, should they materialize during future years, will be used exclusively to maintain the cash policy percentage of 70%. Management of the necessary cash flow will be the primary concern in the next few years for the City as property tax caps and binding arbitration continue to affect City operations.

The City will continue to exert strong budget control and place importance on financial planning in 2012 in order to restore and maintain its cash position.

## EMPLOYEES — THE CITY’S MOST IMPORTANT ASSET

The City, like most local governmental units, provides services and can therefore be classified as a labor-intensive organization. Any organization that provides services can expect a substantial portion of its budget to be allocated for personnel costs. The following chart illustrates the City’s personnel costs.

Key Personnel Statistics		
	General <u>Fund</u>	Total <u>City</u>
Total Budget	\$113.7 Million	\$249.5 Million
Employees	736	1,101
Personnel Costs	\$85.1 Million	\$108.6 Million
Percentage		
Personnel	74.9	43.6
Salary	49.0	27.7
Fringe Benefits	25.9	15.9

To help contain personnel costs, the City has taken several steps in the past to economize its use of personnel while maintaining service quality. These steps include:

- eliminating inefficient or ineffective services;
- improving the method of delivery for certain services;
- contracting certain specialized and/or seasonal services to private contractors; and
- adding certain key positions.

As part of the City’s budget preparation process, departments consider the aforementioned means of reducing personnel costs while maintaining service levels and quality. When departments prepare their personnel and dollar budgets, they give consideration to current and future practices in the context of the above factors. The 2012 budget was developed using these steps as guideposts to ensure that quality services are being delivered with the lowest possible personnel costs. All departments and agencies prepared budgets by analyzing their operations in light of the above factors.

## EMPLOYMENT TRENDS

Since 2010, 34.27 full-time equivalent positions have been eliminated, a decrease of 3.1%, across program lines in legislative and management, public safety, community development, public works, and human services.

### CITY OF ROCKFORD, ILLINOIS 2012 BUDGET PERSONNEL AUTHORIZATION ALL FUNDS

PROGRAMS AND AGENCIES	<u>2009</u>	<u>2010</u>	<u>2011</u>	2010-2011 INCREASE (DECREASE)	<u>2012</u>	2011-2012 INCREASE (DECREASE)
<b>LEGISLATIVE &amp; MANAGEMENT</b>						
MAYOR	8.00	6.00	5.00	(1.00)	4.00	(1.00)
COUNCIL				0.00		0.00
LEGAL	20.00	17.00	12.00	(5.00)	12.00	0.00
FINANCE	34.00	32.00	32.00	0.00	32.00	0.00
INFORMATION SERVICES	8.00	6.00	6.00	0.00	6.00	0.00
HUMAN RESOURCES	<u>7.00</u>	<u>6.00</u>	<u>5.00</u>	<u>(1.00)</u>	<u>5.00</u>	<u>0.00</u>
LEGISLATIVE & MGMT TOTAL	<u>77.00</u>	<u>67.00</u>	<u>60.00</u>	<u>(7.00)</u>	<u>59.00</u>	<u>(1.00)</u>
<b>COMMUNITY DEVELOPMENT</b>						
CD ADMINISTRATION	2.00	1.50	1.50	0.00	1.50	0.00
CD CODE ENFORCEMENT	14.20	12.20	10.20	(2.00)	10.20	0.00
CD PLANNING	6.30	5.30	4.30	(1.00)	4.30	0.00
CD CONSTRUCTION SERVICES	25.00	18.00	15.00	(3.00)	15.00	0.00
CD SANITATION	0.00	0.00	0.00	0.00	0.00	0.00
CD DEVELOPMENT	<u>7.50</u>	<u>7.00</u>	<u>8.00</u>	<u>1.00</u>	<u>8.00</u>	<u>0.00</u>
COMM DEVELOPMENT TOTAL	<u>55.00</u>	<u>44.00</u>	<u>39.00</u>	<u>(5.00)</u>	<u>39.00</u>	<u>0.00</u>
<b>HUMAN SERVICES</b>						
HUMAN SERVICES	90.75	97.85	99.00	1.15	90.58	(8.42)
DRUG FREE INITIATIVE	0.00	0.00	0.00	0.00	0.00	0.00
TUBERCULOSIS SANITARIUM	0.00	0.00	0.00	0.00	0.00	0.00
LIBRARY	<u>115.10</u>	<u>82.00</u>	<u>84.50</u>	<u>2.50</u>	<u>86.00</u>	<u>1.50</u>
HUMAN SERVICES TOTAL	<u>205.85</u>	<u>179.85</u>	<u>183.50</u>	<u>3.65</u>	<u>176.58</u>	<u>(6.92)</u>
<b>PUBLIC SAFETY</b>						
POLICE	345.00	318.00	318.00	0.00	318.00	0.00
FIRE	282.00	282.00	278.00	(4.00)	280.00	2.00
911 COMMUNICATIONS	<u>53.00</u>	<u>53.00</u>	<u>53.00</u>	<u>0.00</u>	<u>53.00</u>	<u>0.00</u>
PUBLIC SAFETY TOTAL	<u>680.00</u>	<u>653.00</u>	<u>649.00</u>	<u>(4.00)</u>	<u>651.00</u>	<u>2.00</u>
<b>PUBLIC WORKS</b>						
ADMINISTRATION	4.50	3.50	2.00	(1.50)	2.00	0.00
ENGINEERING	10.00	7.45	5.50	(1.95)	10.00	4.50
STREETS & SEWERS	40.00	38.00	32.00	(6.00)	31.00	(1.00)
TRAFFIC	12.40	13.00	11.00	(2.00)	11.00	0.00
CAPITAL PROJECT	16.30	17.05	18.50	1.45	17.00	(1.50)
PARKING SYSTEM	9.00	8.50	8.50	0.00	8.50	0.00
SANITATION	0.00	0.00	0.00	0.00	0.00	0.00
PROPERTY & EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00
BUILDING MAINTENANCE	12.00	12.00	10.00	(2.00)	10.00	0.00
EQUIPMENT MAINTENANCE	11.00	11.00	10.00	(1.00)	10.00	0.00
CENTRAL STORES	4.00	4.00	4.00	0.00	4.00	0.00
WATER	<u>75.00</u>	<u>77.00</u>	<u>72.00</u>	<u>(5.00)</u>	<u>72.00</u>	<u>0.00</u>
PUBLIC WORKS TOTAL	<u>194.20</u>	<u>191.50</u>	<u>173.50</u>	<u>(18.00)</u>	<u>175.50</u>	<u>2.00</u>
<b>NON OPERATING</b>						
CITY HALL REHAB MGMT	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	<u>1,212.05</u>	<u>1,135.35</u>	<u>1,105.00</u>	<u>(30.35)</u>	<u>1,101.08</u>	<u>(3.92)</u>

Staffing for 2011 was 1,105.00 positions, a decrease of 30.35 FTE over 2010. 1 position was eliminated from Legislative and Management, 8.4 eliminated from Human Services while Library increased 1.5. 2 positions were increased for both Fire and Public Works.

### 2012 EMPLOYMENT

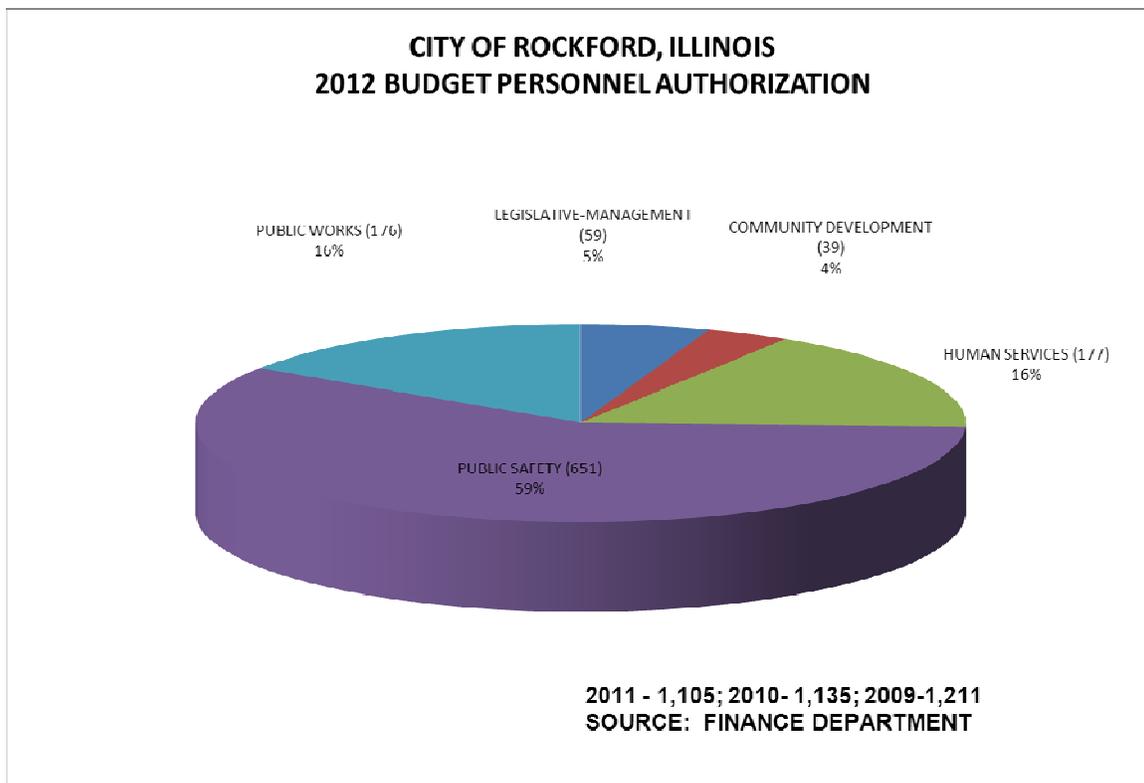
Staffing for the 2012 budget by program is provided in the Personnel Authorization Schedule. Employment has decreased to 1,101.08 positions.

The Public Works group total FTE increased by 2.00, for 1 office assistant as well as an office assistant to Operating Manager for the Engineering Division.

In the Legislative and Management group, there is a decrease of 1.00 FTE as a result of the vacant Senior Administrative Assistant being eliminated in Mayor's Office.

In the Public Safety group, there is an overall increase of 2.00 FTE. Increases include two Fire Inspectors for the Fire Department, required to be filled by an arbitrators decision.

In the Human Services group, there is an overall decrease of 6.92 FTE. Decreases include 8.42 FTE for Human Services offset by an increase of 1.50 FTE for Library.



## 2012 CHANGES IN COMPENSATION

The majority of the City's work force is organized into five collective bargaining units.

### CITY'S EMPLOYEE UNIONS

<u>Unit</u>	<u>Employees</u>	<u>Percentage Of Total</u>
Police Sworn	269.0	31.3%
Fire Sworn	264.0	30.7
Public Works/Clerical (AFSCME)	198.0	23.0
Community Development (AFSCME)	17.0	2.0
Human Services (AFSCME)	50.0	5.8
Library (AFSCME)	<u>62.5</u>	<u>7.2</u>
	860.5	100.0%

### 2008-2012 SALARY AND BENEFIT ADJUSTMENTS BY EMPLOYEE GROUP (Percentage)

<u>Year</u>	<u>Police Sworn</u>	<u>Fire Sworn</u>	<u>AFSCME</u>	<u>AFSCME B</u>	<u>Exempt</u>
2008	4.00	4.00	4.00	4.00	2.50
2009	0	0	4.00	4.00	-3.33
2010	2.00	2.00	0	0	0
2011	2.00	2.00/2.00/2.00	0	0	0
2012	Currently Bargaining	Currently Bargaining	Currently Bargaining	Currently Bargaining	0

From the late 1970's to the 1980's the City paid the total cost of health insurance premiums. In 1988, the Community Development AFSCME group and the exempt employees each began contributing to their health insurance costs. In 2004, employee contributions more than doubled as an effort to control rising health insurance costs. In 2007, the City introduced a new health savings (HSA) option in addition to the traditional PPO plan for health insurance premiums. Annual premium costs for the HSA in 2012 are \$7,202 for single, \$14,404 for single plus one, and \$21,606 for family. Annual premium costs for the traditional PPO plan in 2012 are \$7,774 for single, \$15,548 for single plus one, and \$23,322 for family.

## EMPLOYEE FRINGE BENEFITS

Total employee compensation includes not only salaries but also all direct fringe benefits necessary to fund a position. Fringe benefits are often not considered during compensation review and the ramifications of this hidden cost are often not realized until later budget years.

For the City, direct dollar fringe benefits average from 50.7% to 65.2% of salaries. While fringe benefits vary by employee group, the selection of Police Sworn, Fire Sworn, Finance (office), and Public Works Streets Division (field) illustrates the four typical groups.

### BENEFITS AS A SALARY PERCENTAGE

<u>Benefits</u>	<u>Sworn</u>		<u>Non-Sworn</u>	
	<u>Police</u>	<u>Fire</u>	<u>Office</u>	<u>Field</u>
Pension	22.3	25.7	20.8	20.5
Worker's Comp	4.3	6.3	0.3	4.4
Health	27.9	28.1	33.1	30.6
Other	<u>0.9</u>	<u>0.4</u>	<u>1.1</u>	<u>0.2</u>
Total	55.4	60.5	55.3	55.7
	<u>Average Costs Per Budgeted Position</u>			
Salary	\$70,896	\$72,265	\$51,784	\$40,167
Fringe Benefits	<u>39,265</u>	<u>43,729</u>	<u>28,647</u>	<u>22,356</u>
Total	\$110,161	\$115,994	\$80,431	\$62,522

As shown above, 2012 fringe benefits range from 55.3 percent for office personnel to 60.5 percent for fire personnel, while average costs per position range from \$62,522 for field personnel to \$115,994 for firefighters. Costs increase primarily because of salary adjustments, and health insurance.

In 2011, the fringe benefit range was from 50.7 percent for office personnel to 60.5 percent for fire personnel, while costs per position range from \$62,522 for field to \$115,994 for fire.

Overall, 2012 fringe benefits, except for health insurance and pension, continue to remain fairly stable. Direct fringe benefits are discussed individually in the Non-Operating Funds section of the budget.

In addition to direct fringe benefit costs, certain indirect fringe benefits, such as vacations and sick leave, may add approximately six to eight percent to the fringe benefit percentages. These costs are not, unless additional positions are budgeted to compensate for this lost time, an addition in dollars, rather they represent a loss in service units delivered. Employees, as this section illustrates, are a key component of the City's budget both in terms of delivering services to citizens and as the single largest expense.

## CAPITAL EQUIPMENT AND PROJECTS

Capital equipment and projects, slated at \$62.8 million for 2012, are important elements of the City's service delivery system. Capital equipment, over \$5,000, is used by employees to deliver services such as police and fire protection to the public. Capital projects, whether streets, bridges, wells, sewers, or water mains, serve community residents by providing basic necessities for industrial, commercial, and residential needs and development.

It is City policy to avoid balancing the budget by deferring capital equipment purchases. Doing so may serve an immediate purpose but it becomes a costly deferral in the long run. Failure to purchase necessary capital items can have disastrous consequences. Drawbacks to deferring capital equipment purchases results in acquiring assets whose lives do not match the repayment schedule, accentuating an extremely cyclical equipment replacement schedule, and sharply higher maintenance costs.

Since the early 1980's, capital equipment for operating departments has been funded on a level basis with a goal of minimizing erratic annual spending patterns. With balanced spending patterns, equipment replacement is ideally sought when maintenance and the accompanying loss of employee productivity become greater than the depreciation of the equipment. Certain items, such as quints and ladder trucks used by the Fire Department, are budgeted over the course of several years in order to avoid disrupting replacement schedules for other equipment. City policy dictates acquiring capital equipment if doing so eliminates or stabilizes personnel costs. Capital spending policies are discussed in the Capital Project Fund under the Public Works section and in the Financial Policies under the Supplemental section.

With the 2002 economic downturn, \$3.0 million in capital equipment spending was eliminated. Police vehicle spending of \$500,000 was augmented by a \$3.2 million 2004 bond issue for fire trucks, ambulances, and a fifteen truck snow fleet. Spending since then has been sporadic. Since 2009, the City has purchased used ambulance and fire trucks.

Capital equipment from 2004 through 2009 for Police, Fire, and Public Works was \$8.9 million or about \$1.7 million annually. Police spent \$2.7 million for cars and specialized equipment. The Fire Department spent \$3.4 million for fire trucks, specialized fire equipment, and buildings. Public Works spent \$2.8 million for vehicles and specialized equipment, with no capital expenditures for these functions last year or in 2005 through 2007. For both 2011 and 2012, capital spending was eliminated due to budgetary restraints.

In 2012, 25.0% of the budget is allocated to capital items. Capital items for the City can be divided into equipment and projects. The former can be further divided into the following categories: office equipment, which is primarily office equipment and furniture, building improvements, vehicles and operating equipment, and computer hardware and software.

The \$62,842,500 budgeted for capital equipment and projects in 2012 can be divided into five components: office equipment - \$25,000; building improvements - \$298,000; vehicles and operating equipment - \$301,000; computer software and hardware - \$190,800; and for capital projects - \$60,517,267.

<b>Equipment Fund</b>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Actual Expenditures	3,347,325	3,407,340	3,878,913	4,634,799	3,784,746	3,774,495	4,080,237

The Equipment Fund has shown historical growth in repair expenses over the past several years as a result of the elimination of capital equipment purchases. To address the growing maintenance costs, the City pursued the option of vehicle leasing in 2011.

The CIP Sales Tax has given the City a higher level of capital project investment than ever. As a result of the increased investment in road resurfacing and reconstruction, the Street Division has experienced a reduction in pothole complaints and pothole patching.

<b>POTHOLE SUMMARY</b>					
<b>Statistics</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>TOTAL</u>
Potholes Patched	127,127	152,358	88,442	188,378	556,305
Material Cost	\$ 195,000.01	\$ 202,810.48	\$ 126,216.72	\$ 164,580.35	\$ 688,607.56
Number Pothole Requests	241	2,792	1,808	3,503	8,344

Office equipment of \$25,000 is allocated to the Election Commission. The Election Commission's capital dollars will go toward future election equipment.

Building improvements of \$125,000 are allocated to the Main Library and various branches. The Library also has \$27,500 in office equipment as well as \$19,500 in computer software and \$68,000 in computer hardware. The Water Division's \$486,000 includes a variety of vehicles, operating equipment, and building improvements.

The anticipated capital purchases will replace equipment and vehicles in the existing fleet, and add new vehicles to the fleet as well. The City expects to realize a significant reduction in service and repair costs related to maintaining aging City vehicles. With new vehicle purchases, department vehicles will be used in the field more frequently rather than being out of service.

The capital project portion, \$62.8 million (\$60.5 million capital) includes \$58.5 million for transportation and economic development and \$4.3 million for water for new projects. Ongoing projects, already funded in previous years, will continue and incur expenses in 2012 as well.

The proposed water system improvements, \$4.3.0 million in 2012 work, include water system operation upgrades and construction of trunkline water main. The project initiated in 2006 as a \$75.0 million program, is being done to address several problems including low water pressure, discolored water, and the requirement to remediate radium levels at five wells.

The current program revenues for 2012 are at \$62.8 million. A new local sales tax of one percent (1%) was approved for a five year period starting July 2007 and was extended by referendum for an additional five year period April 5, 2011. The local sales tax replaces the annual street bond referendum and provides \$14.9 million in revenue. State motor fuel tax revenues decrease \$300,000.

The \$58.5 million budgeted in the capital improvements program supports the traditional transportation and drainage programs funded by sales tax, motor fuel taxes and grants. State motor fuel taxes provide only \$3.3 million of funding while the new local sales tax, which replaced the annual street bond referendum, will generate \$14.2 million in revenue. 2012 is the first year of the 2012-2016 five-year capital improvement program becoming part of the current year's budget. The capital improvements program is City Council approved and funded by a mix of revenues including bond proceeds, state taxes, local taxes, and interfund transfers.

## REVENUE AND FINANCING CHARGES

The 2012 budget estimates revenue of \$263.8 million net of inter-fund charges and transfers for all funds. As discussed in the selected trends section of Financial Planning earlier, the City classifies revenues as property taxes, elastic revenues and static revenues.

For 2012, the City assumes (-3.5%) - 0% growth in assessed valuation (the basis for property tax revenue), a 0-4% growth in elastic revenues, and a 0-2% increase in static revenues.

For accounting purposes, the City classifies programs and operations into the fund structure used for local governments. These funds and how they are financed are shown below.

<u>FUND</u>	<u>FINANCED BY</u>
General Fund	1,2,3,4,5,6,8
Special Revenue	1,2,3,4,5,6,8
Debt Service	1,6,8
Capital Projects	6,7,8
Enterprises	3,4,6
Internal Service	1,3,5,6,8
Pension Trust	1,5,6

- 1 Property Taxes
- 2 Sales Taxes
- 3 Service Charges
- 4 Licenses/Fines
- 5 Intergovernmental Revenue
- 6 Interest Income
- 7 Bond Proceeds
- 8 Other/Transfers

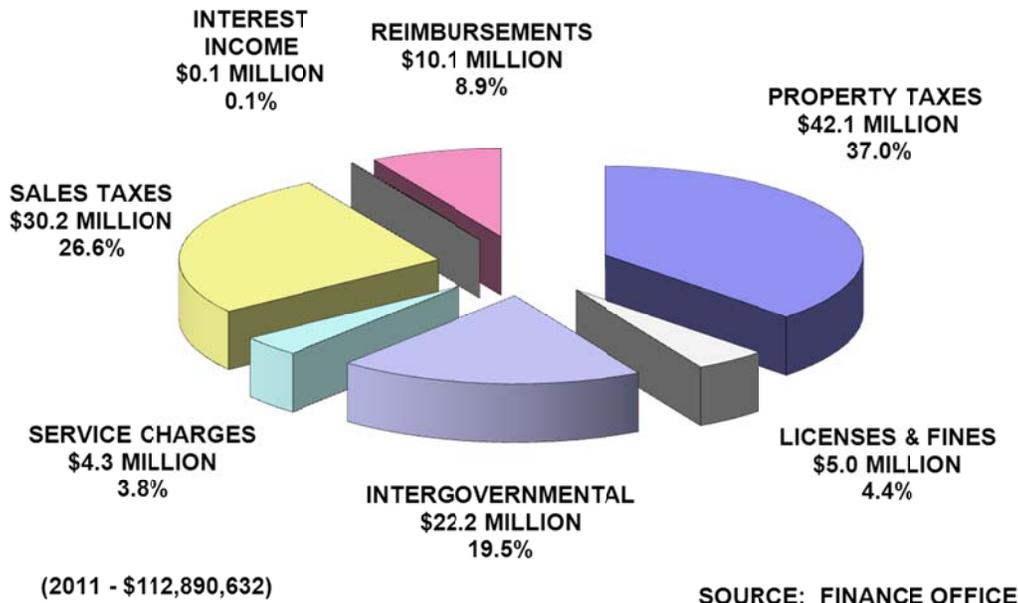
Most of these are self-explanatory. Intergovernmental revenue is income from federal, state, and other local governments. Other income and transfers are miscellaneous items, restricted receipts and transfers. Property taxes are net of accounting adjustments and projected tax cap losses.

### General Fund Revenues (\$113,675,350)

General Fund revenues are derived from eight major sources: taxes, licenses, intergovernmental revenues, service charges, fines, interest income, transfers and other miscellaneous income.

Elastic revenues, sales and intergovernmental taxes, account for more than one-half of the fund. With property taxes included, these three sources comprise 80% of the total. The total dollar amount collected for most of these sources has increased from 2011 to 2012. The percentage of the total that each, property taxes, elastic revenues and static revenues, represents has also slightly increased from the prior year.

**CITY OF ROCKFORD, ILLINOIS  
2012 GENERAL FUND REVENUES \$113,675,350**



**The Property Tax**

Property tax revenues are generated by multiplying equalized assessed valuation (EAV), in Illinois one-third of market value less any exemptions, by a tax rate.

2012 EAV is estimated at \$1,966,000,000 (3.0%). Estimated 2011 EAV of \$2,008,995,373 is yet to be certified by the County compared to the previous year's \$2,008,995,373. With the economic downturn, the drop in existing valuation of \$80.6 million (-3.9%) was offset by estimated new construction and annexations of \$7.1 million (0.3%) resulting in a net 2010 decrease of \$73.8 million (-3.5%).

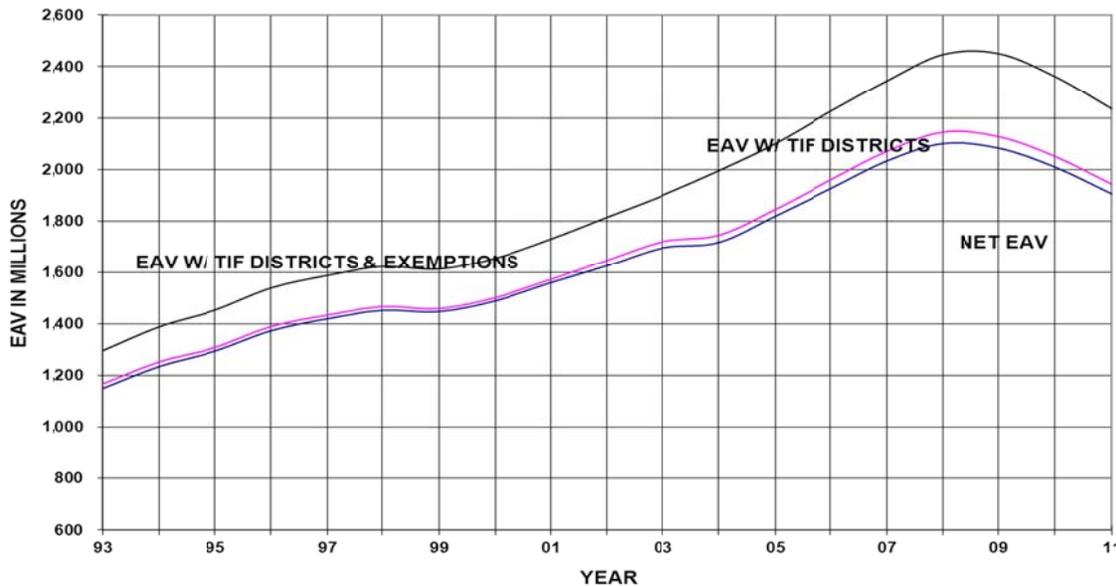
Increases in EAV due to annexation of new areas were \$6.3 million for 2007, \$3.4 million for 2008, \$0.2 million for 2009, \$0.1 million for 2010, and \$0.5 million for 2011. EAV change estimates will be -3.5% for 2010, -5.0% for 2011, -7.0% for 2012, -5.0% for 2013, and 0% for 2014-2016. In previous years, zero percent was used for 1999-2000, one percent was used for 2005-2009, five percent was used for the 1991-1998 period and two percent was utilized prior to 1991.

Exemptions (2008 - \$346.8 million, 2009 - \$367.9, 2010 - \$352.0, 2011 estimate - \$345.8) represent one out of seven dollars of valuation. The exemption process, an unfunded mandate from the State Legislature, singles out certain elements for special treatment.

The State allows homeowner exemptions at \$6,000 and the senior citizen exemption at \$4,000. Exemptions increased \$21.1 million from 2008-2009, decreased \$15.9 million from 2009-2010.

Of the exemptions, only one, the tax increment district (\$37.4 million), serves a common community purpose and benefit by stimulating older commercial areas and producing future economic benefits. The new tax dollars exempted and diverted from other governmental units go towards paying for infrastructure and economic development efforts in the district. At the end of the district's life all tax revenues are once again distributed normally to all taxing districts.

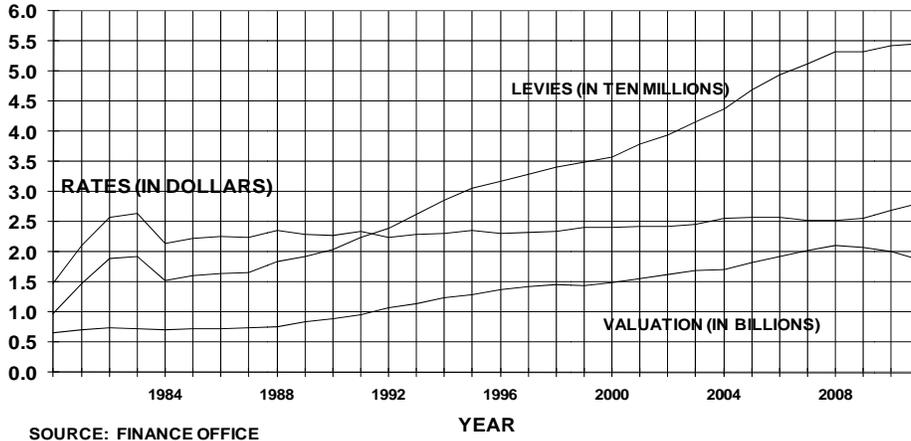
**CITY OF ROCKFORD, ILLINOIS  
EQUALIZED ASSESSED VALUATION 1993-2011**



The other exemptions, homeowner (\$219.7 million), senior citizen (\$69.6 million), and all other (\$19.1 million), cause economic distortions in forcing commercial and industrial properties to pay a larger share of the total. In reality, the senior citizen exemptions are shouldered by all other assessment classes. The net effect of this is to force property tax rates up as taxing bodies attempt to recover this lost revenue. In some cases where rates are at statutory limits or tax caps are applicable, the result may be a change to other revenue sources and/or a reduction in services.

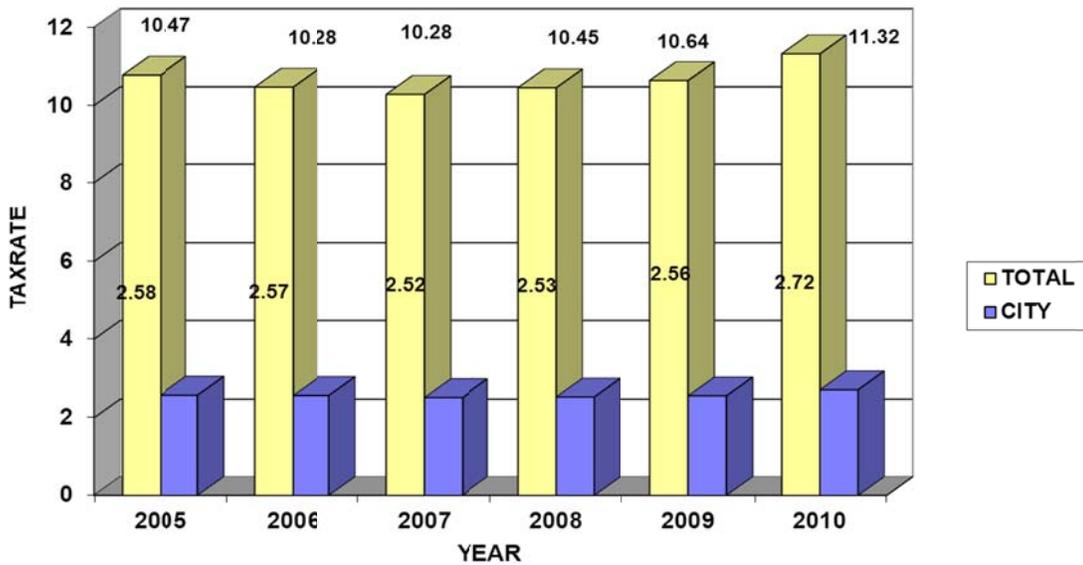
The graph below illustrates the relationships. Poor EAV performance puts pressure on the rate if levies are increased to raise revenue. Given the fact that rates are fixed for a number of levies and that the City is at the maximum for many limited levies, this has implications for future budgets.

**CITY OF ROCKFORD, ILLINOIS  
EQUALIZED ASSESSED VALUATIONS, TAX RATES,  
AND EXTENSIONS 1980-2011**



As the All City Tax Rate Graph illustrates, tax rates for both the City and all taxing districts increased a total of 79.4 cents in 2011. The City tax rate increased 15.5 cents. Tax rate changes for the remaining six taxing districts ranged from an increase of 53.9 cents for the school district to an increase of 0.6 cents for the township; overall, there was an increase of 63.9 cents for these units.

**CITY OF ROCKFORD, ILLINOIS  
ALL CITY TAXING DISTRICTS COMBINED 2005-2010**

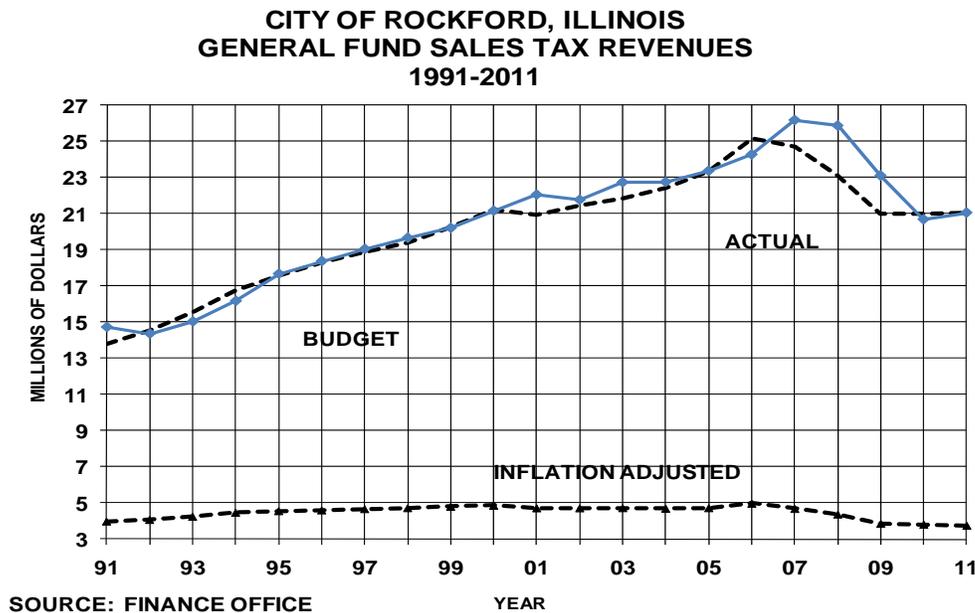


The City rate is 23.8% of the total rate of \$11.43. It is the City's goal to maintain a stable tax rate in order to remain competitive with surrounding communities and unincorporated areas in economic development and annexation efforts.

The 2011 City rate estimate, is \$2.93. For property taxes, the City's five year planning process takes into account the impact of both tax rate and tax cap limitation rules. With conservative budgeting and adequate reserves, these regulations can be adhered to.

### The General Fund Sales Tax

Sales tax, retailer's occupation tax, is assessed at one percent on all sales in the municipality and is collected and distributed by the State of Illinois on a monthly basis. The 2012 budget estimates \$21,721,000 which is 3.2% (\$671,000) more than the 2011 budget (\$21,050,000). As the following graph illustrates, this elastic revenue source tends to fluctuate depending on the national and local economies as well as on local economic growth. This tax graph tends to pinpoint economic ups and downs rather well. While sales tax has increased at an average rate of better than five percent in the past, if the increase is adjusted for inflation, then this revenue source has not always held its own for the City. For the future, the City estimates three percent for both the growth and inflation rate.



The City began receiving local use tax on a statewide formula basis during 1990. This is a sales tax collected by the State on sales to Illinois residents by out of state companies. Revenues for 2009, 2010, and 2011 are \$1,818,959, \$2,030,553, and \$2,179,292 respectively. 2012 budgeted revenue is \$1,890,000.

The City receives a 6% phone tax. Revenue, \$5,363,604 for 2010 and \$5,629,622 for 2011, is budgeted at \$5,567,300 for 2012. The 5% water utility tax, implemented in 2003, generated \$1,058,108 in 2010 and \$1,066,441 in 2011; \$1,020,000 is budgeted for 2012.

## **Other General Fund Revenues**

License and inspection estimates have increased \$63,000 from \$3,427,200 in 2011 to \$3,490,200 in 2012. Building inspection fees in excess of \$100,000 per project are considered unusual and are not budgeted.

The 2011 actual of \$4,128,809 is \$853,609 over budget, reflecting both increases and decreases in licenses issued. Primary increases occurred in building inspection fees (\$411,360), deposit fees (\$105,000), other licenses (\$78,572), and technology fees (\$65,016).

The 2012 intergovernmental revenue budget estimate is \$22,225,790, a decrease of \$653,100 from 2011's \$23,878,890. The most significant decrease was the state income tax (\$1,042,000) offset by an increase in Federal Government revenue (\$540,000). Income taxes are estimated to decrease 8.7% from the 2011 budget. Due to the volatile nature of replacement taxes, a fixed growth assumption is not used; rather, annual results are analyzed.

The 2011 intergovernmental actual exceeded the original budget by \$1,308,064. Replacement taxes, a state revenue source distinguished by its instability since its inception in 1978, came in \$908,361 over estimates. This revenue source is allocated by state law to pensions as well as the Library and General Fund. The latter two Funds absorb all annual gains and losses. This is perhaps the most volatile elastic revenue source the City has and, consequently, the most difficult one to forecast. Rockford School District reimbursement, \$31,646, and State of Illinois, \$104,638, exceeded estimates.

Service charges, budgeted at \$4,380,000 for 2011, have decreased \$85,000 to \$4,295,000 for 2012. This is primarily due to a decrease in ambulance fee revenues.

The 2011 service charges actual of \$4,455,289 was \$75,289 over budget. Decreased income from police record fees (\$16,110) was offset by increases in fire telephone (\$11,810), rent (\$14,000), and ambulance fees (\$63,577).

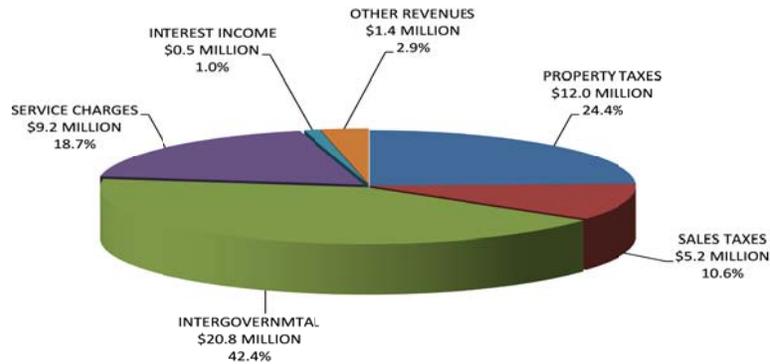
General Fund fine revenue can vary depending on economic conditions. \$1,481,000 is the 2012 estimate (2011 budget - \$1,590,000); the 2011 actual collected was \$1,423,374. A decrease in magistrate fines, \$112,819, neighborhood fines, \$44,628, and zoning parking violations, \$39,756, is offset by an increase in code hearing fines, \$24,625, and false alarm fines, \$45,136.

Interest income, budgeted at \$100,000 for 2011, is estimated at \$100,000 for 2012. \$600,527 was recorded for 2011.

Other income for the General Fund consists of purchase of service reimbursements (indirect cost allocation) from various funds for administrative, legal, financial, and personnel services provided, various damage, abandoned property, and miscellaneous accounts. The amounts charged to other funds are increased annually to insure that they reflect actual costs. The 2011 budget and receipts were \$7,697,015 and \$8,017,409 respectively. 2012's budgeted \$8,581,940 is \$884,925 more than the prior year's budget and \$564,531 more than the actual. Purchase of service reimbursements are increased annually to reflect increased costs.

Transfers total \$1,200,000 this year. The \$1,200,000 transfer from the Motor Fuel Tax Fund is designed to pay for street lighting. The General Fund, in turn, transfers \$1,200,000 to the Capital Projects Fund to pay for designated projects.

**CITY OF ROCKFORD, ILLINOIS  
2012 SPECIAL REVENUE FUNDS' REVENUE  
\$49,161,123**



(2011 - \$50,210,513)

The City utilizes thirty-one special revenue funds. Although financing for this fund group has decreased slightly from 2011's \$50.2, the revenue mix has been essentially unchanged since 1985.

**Motor Fuel Tax Fund** (2012 budget - \$3,881,400; 2011 Budget - \$3,816,400; 2011 Actual - \$4,170,103; 2010 Actual - \$4,223,945). This fund is financed by shared revenue payments (\$3,694,400) from the State of Illinois on motor fuel (19 cents per gallon) for road building and maintenance purposes. 2012 interest earnings are estimated at \$187,000.

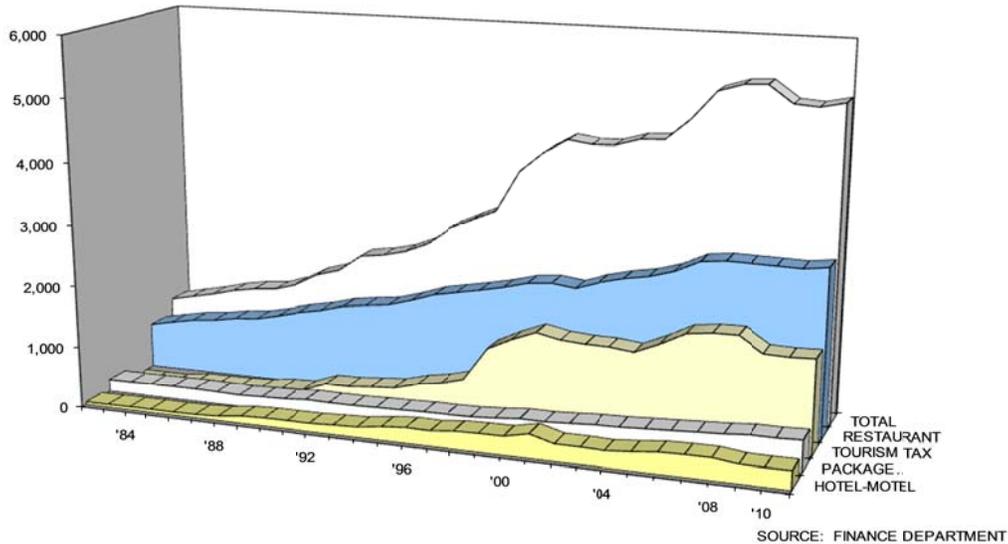
**Sanitation Fund** (2012 Budget - \$9,254,200; 2011 Budget - \$8,647,200; 2011 Actual - \$8,663,659; 2010 Actual - \$8,616,907). This fund is financed by a \$170.40 annual user fee collected on the monthly water bill. In addition, the fund receives a small amount in rental income and, interest earnings.

**Community Development Block Grant Fund** (2012 Budget - \$4,971,754; 2011 Budget - \$4,479,717; 2011 Actual - \$4,533,528; 2010 Actual - \$5,297,997). This fund, primarily involved with economic development and neighborhood rehabilitation, is financed by federal grants (\$3,116,917). Program income is estimated at \$123,500. The 2011 carryover of prior year funds and grant authorizations is \$855,444.

**Redevelopment Fund** (2012 Budget - \$3,621,500; 2011 Budget - \$3,528,000; 2011 Actual - \$4,155,675; 2010 Actual - \$3,557,288). This fund, for redevelopment purposes and Metro Center Authority subsidy payments, has four revenue sources: motel/hotel tax (1%) - \$311,300; restaurant/lounge (1%) - \$2,815,000; package liquor (1%) - \$525,200. For 2011, receipts are \$3,611,194, \$9,194 above the estimate; with motel taxes coming in above estimates. This tax,

authorized in 1978 and originally designed to expire in 1998, was extended to 2008 in 1990, as a result of the Coronado Theater renovation project, extended to 2018 in 1998, and, as a result of the 2007 Metro Center renovation project, extended to 2028.

**CITY OF ROCKFORD, ILLINOIS REDEVELOPMENT/TOURISM SOURCES OF REVENUE 1982-2011**



**Tourism-Promotion Fund** (2012 Budget - \$1,572,100; 2011 Budget - \$1,556,500; 2011 Actual - \$1,941,243; 2010 Actual - \$1,542,290). This tax, five percent on motels and hotels, was instituted in 1985 to promote tourism. It was increased from one to two percent in 1991, from two to four percent June 1997, and, for the Coronado Theater renovation project, from four to five percent July 1999.

**Tax Increment Financing Districts** - (2012 Budget: East Side - \$358,523, West Side - \$723,970, 7<sup>th</sup> Street - \$1,046,055; South Rockford - \$235,979; 2011 Budget: East Side - \$348,070, West Side - \$404,390, 7<sup>th</sup> Street - \$1,070,460, South Rockford - \$128,653; 2011 Actual: East Side - \$359,504, West Side - \$654,554, 7<sup>th</sup> Street - \$1,127,877, South Rockford - \$132,989; 2010 Actual: East Side - \$350,075, West Side - \$654,229, 7<sup>th</sup> Street - \$1,214,434, South Rockford - \$128,019). TIF districts receive revenues from property taxes, state and local sales taxes, and interest income. In TIF districts, assessment values are frozen at a certain date and the increase, and the increment in assessed values and consequently, property taxes since that date, is to be used for redevelopment purposes in the districts. Property taxes for all districts continue to grow at an incremental pace. For the East and West Side Districts, new state legislation adopted in 1986 allows new sales tax revenue that is generated within the district after a certain date to be used only for district redevelopment purposes just as the property tax increment. The East and West Side TIF's began receiving State and City sales tax revenues in 1987. Due to businesses leaving both Districts, 1992 was the last year for sales tax increments. The City did not apply this sales tax increment provision to the 7th Street District due to its strong economic condition.

**East River TIF** (2012 Budget - \$272,674; 2011 Budget - \$116,990; 2011 Actual - \$317,575; 2010 Actual - \$296,359). The East River tax increment district, created in 2008, was established to aid in retail and residential development within the district.

**Westside II TIF** (2012 Budget - \$8,959; 2011 Budget - \$10,000; 2011 Actual - \$8,850; 2010 Actual - \$9,827). The Westside II tax increment district, created in 2007, was established to aid in redevelopment within the district.

**Lincolnwood Housing TIF** (2012 Budget - \$82,560; 2011 Budget - \$79,443; 2011 Actual - \$90,494; 2010 Actual - \$77,591). Created in 2001, this west side housing tax increment district will utilize property taxes to pay for certain improvements in order to generate affordable housing.

**Lincolnwood II TIF** (2012 Budget - \$60,253; 2011 Budget - \$55,870; 2011 Actual - \$73,007; 2010 Actual - \$49,183). The Lincolnwood II tax increment district was established in 2005 to assist affordable residential development on the City's west-side.

**Springfield Corners TIF** (2012 Budget - \$374,386; 2011 Budget - \$442,076; 2011 Actual - \$269,762; 2010 Actual - \$163,696). This west side housing tax increment district was established in 2002 to utilize property taxes to pay for improvements to generate affordable housing.

**North Main TIF** (2012 Budget- \$96,032; 2011 Budget- \$86,232; 2011 Actual - \$88,697; 2010 Actual - \$74,105). This tax increment district was created in 2004 to aid in redevelopment within the district.

**Rockford Global Trade Park TIF** (2012 Budget - \$1,067,592; 2011 Budget - \$1,079,000; 2011 Actual - \$1,073,216; 2010 Actual - \$908,572). The Rockford Global Trade Park tax increment district was established in 2004 to develop 6,600 acres of land surrounding the Rockford Airport.

**Rockford Global Trade Park 2 TIF** (2012 Budget - \$189,342; 2011 Budget - \$196,971; 2011 Actual - \$189,065; 2010 Actual - \$190,343). The Rockford Global Trade Park tax increment district was established in 2007 to develop land surrounding the Rockford Airport.

**Rockford Global Trade Park 3 TIF** (2012 Budget - \$84,231; 2011 Budget - \$141,432; 2011 Actual - \$83,900; 2010 Actual - \$117,942). The Rockford Global Trade Park tax increment district was established in 2008 to develop land surrounding the Rockford Airport.

**Garrison TIF** (2012 Budget - \$80,734; 2011 Budget - \$53,000; 2011 Actual - \$73,815; 2010 Actual - \$50,541) The Garrison tax increment district was established in 2005 to develop the area surrounding the old Garrison school. Residential development is planned for the area.

**River Oaks TIF** (2012 Budget - \$58,697; 2011 Budget - \$73,000; 2011 Actual - \$58,704; 2010 Actual - \$69,118;) The River Oaks tax increment district was created in 2005 to assist river front residential development.

**Hope Six TIF** (2012 Budget - \$176,729; 2011 Budget - \$162,530; 2011 Actual - \$324,802; 2010 Actual - \$182,849) The Hope Six tax increment district, created in 2006, was established to assist with residential development.

**Kishwaukee Harrison 1 TIF** (2012 Budget - \$56,141; 2011 Budget - \$54,815; 2011 Actual - \$56,058; 2010 Actual - \$53,994) The Kishwaukee Harrison tax increment district, created in 2006, was established to aid in redevelopment within the district.

**Kishwaukee Harrison 2 TIF** (2012 Budget - \$217; 2011 Budget - \$253; 2011 Actual - \$223; 2010 Actual - \$249) The Kishwaukee Harrison 2 tax increment district, created in 2009, was established to aid in redevelopment within the district.

**Main Auburn TIF** (2012 Budget - \$20,778; 2011 Budget - \$20,735; 2011 Actual - \$20,658; 2010 Actual - \$20,102) The Main and Auburn tax increment district, created in 2006, was established to aid in redevelopment within the district.

**Jackson School TIF** (2012 Budget - \$109,369; 2011 Budget - \$145,284; 2011 Actual - \$107,493; 2010 Actual - \$121,710) The Jackson School tax increment district, created in 2006, was established to aid in redevelopment within the district.

**State Kilburn TIF** (2012 Budget - \$17,580; 2011 Budget - \$23,311; 2011 Actual - \$16,717; 2010 Actual - \$20,959) The State and Kilburn tax increment district, created in 2006, was established to aid in redevelopment within the district.

**State Central TIF** (2012 Budget - \$221,200; 2011 Budget - \$275,270; 2011 Actual - \$199,577; 2010 Actual - \$231,722) The State and Central tax increment district, created in 2006, was established to aid in redevelopment within the district.

**Preston Central TIF** (2012 Budget - \$34,258; 2011 Budget - \$135,600; 2011 Actual - \$5,724; 2010 Actual - \$241,424) The Preston and Central tax increment district, created in 2006, was established to aid in redevelopment within the district.

**State Alpine TIF** (2012 Budget - \$251,512; 2011 Budget - \$270,927; 2011 Actual - \$252,758; 2010 Actual - \$264,678) The State and Alpine tax increment district, created in 2006, was established to aid in redevelopment within the district.

**River North TIF** (2012 Budget - \$85,292; 2011 Budget - \$102,645; 2011 Actual - \$65,018; 2010 Actual - \$80,860) The River North tax increment district, created in 2008, was established to aid in redevelopment within the district.

**Main Whitman TIF** (2012 Budget - \$42,279; 2011 Budget - \$77,900; 2011 Actual - \$37,290; 2010 Actual - \$40,701) The Main Whitman tax increment district, created in 2008, was established to aid in redevelopment within the district.

**Assisted Living TIF** (2012 Budget - \$65; 2011 Budget - \$43; 2011 Actual - \$64; 2010 Actual - \$83) The Assisted Living tax increment district, created in 2008, was established to aid in redevelopment within the district.

**Broadway TIF** (2012 Budget - \$43,484; 2011 Budget - \$52,884; 2011 Actual - \$40,389; 2010 Actual - \$93,717) The Broadway tax increment district, created in 2008, was established to aid in redevelopment within the district.

**Midtown TIF** (2012 Budget - \$46,620; 2011 Budget - \$65,860; 2011 Actual - \$45,539; 2010 Actual - \$65,728) The Midtown tax increment district, created in 2008, was established to aid in redevelopment within the district.

**Human Services** (2012 Budget - \$12,656,647; 2011 Budget - \$14,114,983; 2011 Actual - \$11,328,023; 2010 Actual - \$22,818,897). This fund is financed by two federal (\$5,607,679) and four state agencies (\$7,022,968) as well as City revenue (\$26,000) to provide services in Community Services, Headstart Preschool, Drug Free, Weatherization and Energy Assistance. Revenues tend to fluctuate based on grants and federal philosophy. In addition to its cash contribution, the City's General Fund contributes over \$100,000 in indirect services annually.

**Tuberculosis Sanitarium** (2012 Budget - \$168,417; 2011 Budget - \$151,175; 2011 Actual - \$156,760; 2010 Actual - \$186,683). Revenues are received from property taxes, user fees, and interest income. The property tax limit is \$970,000; currently the fund is at \$160,500.

**Library Fund** (2012 Budget - \$8,122,930; 2011 Budget - \$8,440,852; 2011 Actual - \$8,388,189; 2010 Actual - \$8,095,720). This fund is financed by property taxes (\$7,100,000), state replacement taxes (\$700,000) fines (\$92,680), service charges and non-resident fees (\$39,500), grants (\$150,000), interest and rental income (\$10,000) and miscellaneous income (\$30,750). Of any City operating fund, the Library is most heavily dependent on the property tax as the largest source of revenue, 84.0%.

**OTB Special Projects Fund** (2012 Budget - \$90,000; 2011 Budget - \$90,000; 2011 Actual - \$96,938; 2010 Actual - \$98,229). This fund, used for special projects, receives one percent of the handle from the local off-track betting parlor.

#### **Debt Service Funds Revenues (\$17,962,697)**

**Debt Service Funds** (2012 Budget - \$17,962,697; 2011 Budget - \$19,042,779; 2011 Actual, excluding utility debt - \$12,920,449; 2010 Actual, excluding utility debt - \$13,976,948). These funds are funded by property taxes (\$4,866,320), tax abatements from TIF Districts, development funds, and OTB Special Projects Fund (\$5,492,712), the parking and water utilities (\$6,695,299), and sales tax (\$908,366). For further information, see Debt Service under Non-Operating Fund section.

**Capital Project Funds  
Revenues (\$62,842,500)**

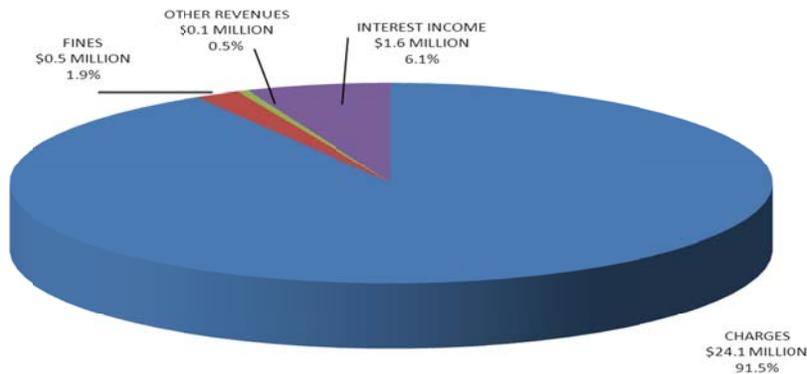
**Capital Project Funds** (2012 Budget - \$62,842,500; 2011 Budget - \$62,825,000; 2011 Actual - \$21,680,941; 2010 Actual - \$40,693,300). These funds are financed transfers from Sales Tax, Motor Fuel Tax, General, and Water Funds. For further information, see Capital Projects under the Public Works section.

**Enterprise Funds  
Revenues (\$26,304,520)**

The City utilizes two enterprise funds, Water and Parking in the Public Works Department. The revenue mix has changed little from the previous year.

**Water Fund** (2012 Budget - \$24,338,400; 2011 Budget - \$24,569,400; 2011 Actual - \$23,015,834; 2010 Actual - \$22,911,864). This fund is financed by user fees (\$23,231,000), installations and connections (\$651,000); interest income (\$160,000), and service charges to other funds and governmental agencies (\$206,400).

**CITY OF ROCKFORD, ILLINOIS  
2012 ENTERPRISE FUNDS' REVENUES \$26,304,520**



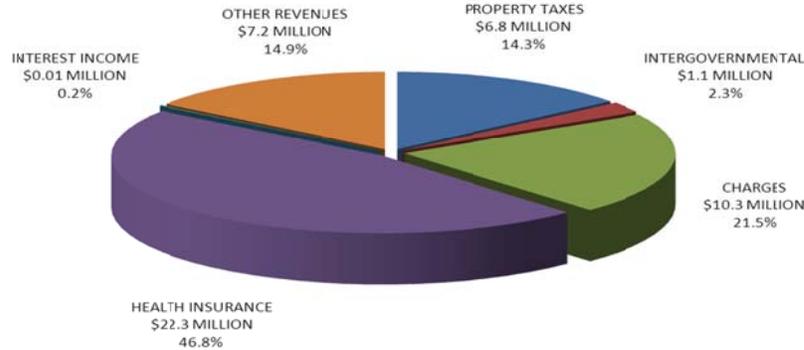
(2011 - \$26,570,800)

**Parking Fund** (2012 Budget - \$1,966,120; 2011 Budget - \$2,001,400; 2011 Actual - \$1,881,626; 2010 Actual - \$2,313,947). The Parking System is financed by fines (\$501,020), permits and fees (\$1,328,000), purchase of services (\$24,400), and interest income (\$112,700).

**Internal Service Funds  
Revenues (\$47,765,780)**

The City uses eleven internal service funds. While financing for this fund group has increased from 2011's \$45,615,664 budget, the revenue mix is unchanged.

**CITY OF ROCKFORD, ILLINOIS  
2012 INTERNAL SERVICE FUNDS' REVENUES  
\$47,793,157**



(2011 - \$45,615,664)

**Property Fund** (2012 Budget - \$2,655,090; 2011 Budget - \$2,858,990; 2011 Actual - \$3,050,147; 2010 Actual - \$2,571,785). This fund, part of the Public Works Property and Equipment Division, provides building maintenance for City Hall, the City Yards and other City facilities.

**Equipment Fund** (2012 Budget - \$4,113,490; 2011 Budget - \$3,754,990; 2011 Actual - \$3,873,179; 2010 Actual - \$3,901,251). The Public Works Department operates garage facilities for vehicle maintenance for City departments and some County agencies at several locations.

**Central Stores Fund** (2012 Budget - \$420,000; 2011 Budget - \$417,520; 2011 Actual - \$424,039; 2010 Actual - \$414,404). This fund, part of the Public Works Property and Equipment Division, provides centralized inventory services for the Property and Equipment Units and the Water Division.

**Information Technology Fund** (2012 Budget - \$2,841,060; 2011 Budget - \$2,650,210; 2011 Actual - \$2,341,902; 2010 Actual - \$2,645,879). This fund finances the Information Technology department, which provides mainframe and microcomputer services to user departments.

**911 Communications Fund** (2012 Budget - \$5,266,935; 2011 Budget - \$5,249,218; 2011 Actual - \$5,426,388; 2010 Actual - \$5,081,273). Providing 911 communication services to public safety departments, this fund is financed by County and City General Fund purchase of services.

**Illinois Municipal Retirement Fund** (2012 Budget - \$6,688,760; 2011 Budget - \$6,647,727; 2011 Actual - \$6,337,199; 2010 Actual - \$6,529,757). The revenues for this fund finance the City pension as well as Social Security contributions. Property taxes are estimated at \$3,070,675; replacement taxes at \$282,300; interfund transfers from non-property tax funds at \$3,325,785 and interest income at \$10,000 for 2012. The property tax rate is unlimited.

**Unemployment Insurance Fund** (2012 Budget - \$169,720; 2011 Budget - \$171,020; 2011 Actual - \$239,404; 2010 Actual - \$64,543). The budget includes \$140,218 in property taxes and \$29,502 in interfund transfers from non-property tax funds. The property tax rate is unlimited.

**Worker's Compensation Fund** (2012 Budget - \$2,506,195; 2011 Budget - \$1,985,470; 2011 Actual - \$2,264,628; 2010 Actual - \$3,658,490). Income for 2012 includes \$2,216,812 in property taxes, \$274,383 in interfund transfers from non-property tax funds, and \$15,000 in interest income. The property tax rate is unlimited for this purpose.

**Auditing Fund** (2012 Budget - \$184,061; 2011 Budget - \$237,950; 2011 Actual - \$250,492; 2010 Actual - \$277,181; 2009 Actual - \$236,553). This fund is financed by property taxes (\$138,251) and interfund transfers from non-property tax funds (\$45,810). The property tax rate is unlimited for this purpose.

**Health Insurance Fund** (2012 Budget - \$22,403,236; 2011 Budget - \$21,394,734; 2011 Actual - \$20,908,852; 2010 Actual - \$21,309,412). The City operates a self-insured plan for active employees, retirees, and several outside groups. The City's share of \$18,479,370 is supplemented by employees, retired employees, and outside agency contributions of \$3,959,766.

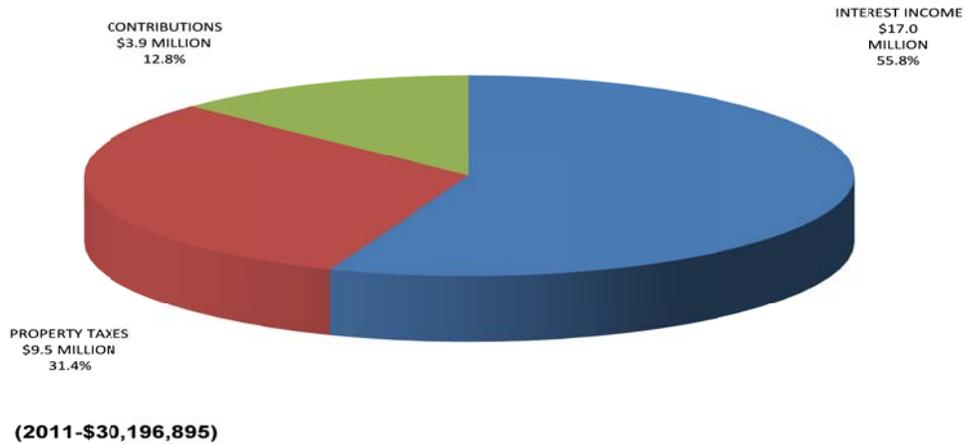
**Risk Management Fund** (2012 Budget - \$1,887,450; 2011 Budget - \$1,679,050; 2011 Actual - \$1,284,653; 2010 Actual - \$1,046,825). This fund, used for the payment of claims, judgments and general self-insured losses, is financed by an unlimited levy (\$1,287,000), departmental charges (\$485,450), and insurance reimbursements (\$115,000).

#### **Pension Funds Revenues (\$30,439,299)**

The City operates local pension plans for sworn police and fire officers.

**Police Pension Fund** (2012 Budget - \$13,744,820; 2011 Budget - \$14,255,453; 2011 Actual - \$12,845,792; 2010 Actual - \$22,526,873). This fund is financed by a contribution from the General Fund (property taxes, \$3,673,220 and state replacement taxes, \$790,300), member contributions (\$1,981,300), investment income (\$5,800,000), and fair value appreciation (\$1,500,000). The interest rate assumption for 2012 is 7% (2011 Actual 7.6% earnings).

**CITY OF ROCKFORD, ILLINOIS  
2012 PENSION TRUST FUNDS' REVENUES  
\$30,439,299**



**Fire Pension Fund** (2012 Budget - \$16,694,479; 2011 Budget - \$15,941,442; 2011 Actual - \$14,008,728; 2010 Actual - \$3,904,122). This fund is financed by a contribution from the General Fund (property taxes, \$4,133,879 and state replacement taxes, \$848,400), member contributions (\$1,912,200) and investment income (\$4,700,000), and fair value appreciation (\$5,000,000). The interest rate assumption for 2012 is 7% (2011 Actual 6.7% earnings).

**DEPARTMENT FUNDING MATRIX**

The table on the following two pages shows the funds listed in the preceding pages and the City departments that they fund. This matrix helps to illustrate how the financial structure of the City relates to the budgetary units that will be described in more detail in the rest of the budget book.

DEPARTMENT FUNDING

Funds

	General Fund	Motor Fuel Tax Fund	Sanitation Fund	CD Block Grant Fund	Redevelopment Fund	Tourism-Promotion Fund	TIF Funds	Human Services Fund	Tuberculosis Sanitarium	Library Fund	OTB Fund	Debt Service Funds	Capital Project Funds	Water Fund
<b>City Departments</b>														
Mayor's Office	x					x							x	
City Council	x													
Legal Department	x			x									x	
Finance Department	x		x		x	x							x	x
Information Technology Department														
Human Resources Department	x													
Board of Elections	x													
CD Administration	x													
CD Business Group				x	x									
CD Redevelopment					x									
CD Tourism Promotion						x								
TIF Funds							x							
Planning Division	x						x							
Sanitation Division			x											
Code Enforcement Division	x		x	x										
Building Department	x													
Human Services Department	x							x						
Tuberculosis Sanitarium									x					
Rockford Public Library										x				
Rockford Mass Transit District	x													
Police Department	x													
Fire Department	x													
911 Division	x													
Fire & Police Commissioners	x													
Public Works Administration	x		x											x
Public Works Engineering	x													x
Capital Project Fund	x	x											x	x
Motor Fuel Tax Fund		x												
Street Maintenance Division	x		x											
Traffic Division	x	x												
Parking Division	x													
Property & Equipment Division														
Water Division	x				x									x
Police Pension														
Fire Pension														
IMRF Pension														
Health Insurance														
Unemployment														
Worker's Compensation														
Auditing														
Debt Management												x		
OTB Special Projects											x			
Risk Management														
Workforce Investment Board	x													

DEPARTMENT FUNDING

City Departments	Parking Fund	Property Fund	Equipment Fund	Central Stores Fund	Information Tech Fund	911 Fund	IMRF Fund	Unemployment Fund	Worker's Comp Fund	Auditing Fund	Health Insurance Fund	Risk Management Fund	Police Pension Fund	Fire Pension Fund
Mayor's Office														
City Council														
Legal Department												x		
Finance Department	x											x	x	x
Information Technology Department					x									
Human Resources Department									x		x			
Board of Elections														
CD Administration														
CD Business Group														
CD Redevelopment														
CD Tourism Promotion														
TIF Funds														
Planning Division														
Sanitation Division														
Code Enforcement Division														
Building Department														
Human Services Department														
Tuberculosis Sanitarium														
Rockford Public Library														
Rockford Mass Transit District														
Police Department	x													
Fire Department														
911 Division						x								
Fire & Police Commissioners														
Public Works Administration	x	x	x	x										
Public Works Engineering														
Capital Project Fund														
Motor Fuel Tax Fund														
Street Maintenance Division														
Traffic Division	x													
Parking Division	x													
Property & Equipment Division		x	x	x										
Water Division														
Police Pension													x	
Fire Pension														x
IMRF Pension							x							
Health Insurance											x			
Unemployment								x						
Worker's Compensation									x					
Auditing										x				
Debt Management														
OTB Special Projects														
Risk Management												x		
Workforce Investment Board														

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## YEAR END FINANCIAL CONDITION

Fund balances for the 2012 budget year ending December 31, 2012 are deemed to be sufficient to insure a healthy financial condition for the City. Of the eighteen funds projected to have year-end deficits, none are considered to be of concern.

Certain funds are project, rather than service oriented. In these funds, the practice can be to appropriate all available funds, current plus certain future amounts, for one or more potential projects. The ten TIF districts with deficits are examples of this. The Redevelopment fund can also be included. All of these project funds should turn positive before their current legal authority ends.

The Risk Management, Unemployment Compensation, and Workers' Compensation Funds carry deficits due to incurred claim estimates that are adjusted annually. The City has a long term funding plan in place to fund future claims.

A 20% rate increase in 2012 will eliminate most of the Worker's Compensation Fund deficit.

The RMAP fund has a temporary deficit due to startup costs. This will be corrected over several years. The Human Services, 911 Communications, and Purchase of Service have short term deficits which will correct.

With these actions, these funds should again be in good condition.

### CITY OF ROCKFORD, ILLINOIS SCHEDULE OF ANTICIPATED ENDING FUND BALANCES 2012 BUDGET

FUND	BEGINNING	REVENUES	APPROPRIATION	EXCESS	ADJUSTMENTS	ENDING
	BALANCE			(DEFICIT)		BALANCE
	01/01/12					12/31/12
GENERAL-OPERATING	\$22,914,945	113,675,150	\$113,651,818	\$23,332		\$22,938,277
SPECIAL REVENUE						
MOTOR FUEL TAX	7,763,799	3,881,400	4,200,000	(318,600)		7,445,199
SANITATION	3,489,427	9,254,200	9,355,680	(101,480)		3,387,947
COMMUNITY DEVELOPMENT	684,020	3,972,361	4,031,880	(59,519)		624,501
REDEVELOPMENT TAX	(2,472,493)	3,651,500	3,140,793	510,707		(1,961,786)
TOURISM PROMOTION TAX	94,619	1,572,100	1,572,100	0		94,619
TAX INCREMENT DISTRICTS	(2,517,536)	5,937,961	6,212,907	(274,946)		(2,792,482)
HUMAN SERVICES	(1,070,660)	12,656,647	12,907,866	(251,219)		(1,321,879)
TUBERCULOSIS SANITARIUM	99,159	168,417	168,300	117		99,276
LIBRARY	5,692,018	8,122,930	8,122,930	0		5,692,018
OTB SPECIAL PROJECTS	(9,190)	90,000	50,200	39,800		30,610
RMAP PLANNING	(107,778)	742,971	773,339	(30,368)		(138,146)
DEBT SERVICE	8,317,681	11,264,823	17,962,697	(6,697,874)	6,697,874	8,317,681
CAPITAL PROJECT	15,275,594	62,842,500	62,842,500	0		15,275,594
ENTERPRISE						
WATER SYSTEM	122,878,874	24,338,400	23,632,067	706,333		123,585,207
PARKING SYSTEM	16,925,179	1,966,120	2,367,996	(401,876)		16,523,303
INTERNAL SERVICE						
PUBLIC WORKS PROPERTY	484,943	2,655,090	2,545,627	109,463		594,406
PUBLIC WORKS EQUIPMENT	794,970	4,113,490	4,009,336	104,154		899,124
PUBLIC WORKS CENTRAL STORE	171,001	420,000	418,187	1,813		172,814
911 COMMUNICATIONS	(253,501)	5,266,935	5,266,935	0		(253,501)
IMRF PENSION	302,357	6,688,760	6,678,761	9,999		312,356
UNEMPLOYMENT INSURANCE	(114,298)	169,720	169,720	0		(114,298)
WORKER'S COMPENSATION	(1,468,990)	2,506,195	2,491,195	15,000		(1,453,990)
AUDITING	717	184,061	184,061	0		717
RISK MANAGEMENT	(3,657,404)	1,887,450	1,674,700	212,750		(3,444,654)
INFORMATION TECHNOLOGY	1,443,980	2,841,060	2,644,387	196,673		1,640,653
HEALTH INSURANCE	1,461,849	22,403,336	21,568,760	834,576		2,296,425
PENSION						
POLICE PENSION	165,052,560	13,744,820	4,956,870	8,787,950	(8,725,000)	165,115,510
FIRE PENSION	148,398,600	16,694,479	5,691,179	11,003,300	(9,275,000)	150,126,900
ELIMINATIONS & ADJUSTMENTS	0	(71,953,035)	(71,782,710)	(170,325)	170,325	0
		<u>\$271,759,841</u>	<u>\$257,510,081</u>	<u>\$14,249,760</u>	<u>(\$11,131,801)</u>	<u>\$513,692,401</u>

# **Mayor's Office**

## **Mission Statement**

It is the mission of the Mayor's Office to provide the leadership, initiative, and direction that is necessary to provide quality services to the citizens of Rockford.

**Primary Function** → The primary function of the Mayor's Office is to provide administrative and policy making functions, as well as to oversee the day-to-day operations for the City of Rockford.

### **2011 Accomplishments** →

- Made significant strides in securing capital funds for downtown Rockford, securing \$8 million River Edge Redevelopment Zone Grant and \$4 million in capital funding for the RAVE Authority and BMO Harris Center. The Redevelopment Grant will allow the City to engage in economic revitalization geared toward attracting new investment and bringing more jobs to our central city.
- Successfully implemented various outsourcing and service consolidation initiatives to foster organizational sustainability as recommended by Baker-Tilly's 2011 Outsourcing Assessment Report.
- Finished 2011 with a positive fund balance.
- Partnered with the City Council and the community in extending the City's 1% infrastructure sales tax for an additional five years to continue funding Rebuilding Rockford initiatives.
- Partnered with Winnebago County and police agencies in our region on a new crime initiative known as "Operation Clean Sweep" which has allowed the City to deploy a substantial and consistent response to the chaos of drugs, gangs, and violent crimes.
- Created a positive working partnership with the Rockford Public School District 205 that will allow us to make progress toward long-term community and school improvement.
- Worked with City Council to establish a dialogue between the City, County and School District regarding fiscal consolidation opportunities.
- Partnered with City Council, R.A.V.E., and the Coronado Performing Arts Center on the creation of Energy Performance Contracts that have brought modern "green" energy systems to our Coronado Theater and BMO Harris Bank Center.
- Consistently engaged in discussion with our criminal justice partners to help address the City's crime rate.

### **2012 Goals and Objectives** →

- Continue implementation of the Outsourcing Subcommittee recommendations on outsourcing and process improvement.

## **Mayor's Office**

- Work with our regional partners to successfully implement the City's municipal aggregation program to save residential home owners and small businesses significant dollars on electricity bills.
- Improve the health and wellness of our City employees and community at large through the creation of the "Healthy Rockford Network."
- Partner with local arts educators, arts professionals, and arts supporters to determine how we can leverage our resources to build a world class arts education network.
- Continue working with the Rockford Public Schools administration to implement their "Readiness Rocks" strategy, particularly through the Neighborhood School Community Zone initiative between the City and District 205.
- Work with District 205 and Alignment Rockford towards implementing our community's first High School Academy.
- Engage and support citizen involvement in City planning and activities.
- Continue making progress on "Reclaiming First," the City's financial plan to invest \$30 million in an expansion and modernization of the Rockford region's amateur sports industry, with the first project being the Ingersoll Sports Facility (aka Founders Landing Sports Village).
- Build a lasting partnership with the Rockford Airport Authority, Winnebago County, and other regional public and private partners to ensure long-term growth and job creation at the Rockford Airport, specifically focusing on air cargo job expansion.
- Build and support intergovernmental relationships, collaboration, and advocacy.
- Continue work in establishing opportunities for international trade and economic growth.
- Develop a new and improved solid waste and recycling collection contract for Rockford residents.
- Implement \$3 million in state and federal funds to design a state-of-the-art train station to bring passenger rail back to Rockford.
- Continue to pursue state legislative agenda focusing on pension reform, collective bargaining reform, protection of state-disbursed municipal revenues, other pro municipal government legislation, and a new casino for Rockford.

# Mayor's Office

## Budget Summary

<b>MAYOR'S OFFICE BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	<u>2010</u> <u>ACTUAL</u>	<u>2011</u> <u>BUDGET</u>	<u>2011</u> <u>ACTUAL</u>	<u>2012</u> <u>BUDGET</u>	<u>INCREASE</u> <u>(DECREASE)</u>
PERSONNEL	\$511,917	\$533,589	\$432,388	\$463,645	(\$69,944)
CONTRACTUAL	144,194	146,855	127,422	141,045	(5,810)
SUPPLIES	11,772	12,350	6,855	12,350	0
OTHER	0	0	0	0	0
CAPITAL OUTLAY	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$667,883</u>	<u>\$692,794</u>	<u>\$566,665</u>	<u>\$617,040</u>	<u>(\$75,754)</u>

<b>STAFFING REVIEW</b>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>INCREASE</u> <u>(DECREASE)</u>
TOTAL	<u>8.00</u>	<u>6.00</u>	<u>5.00</u>	<u>4.00</u>	<u>(1.00)</u>

<b>FUNDING SOURCE</b>	<u>2011</u> <u>AMOUNT</u>	<u>2011</u> <u>PERCENTAGE</u>	<u>2012</u> <u>AMOUNT</u>	<u>2012</u> <u>PERCENTAGE</u>
PROPERTY TAXES				
FRINGE BENEFIT REIMBURSEMENT	\$73,021	10.5	\$65,079	10.5
PURCHASE OF SERVICES	\$0	0.0	0	0.0
GENERAL REVENUES	<u>619,773</u>	<u>89.5</u>	<u>551,961</u>	<u>89.5</u>
TOTAL	<u>\$692,794</u>	<u>100.0</u>	<u>\$617,040</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$617,040 represents a \$75,754 (10.9%) decrease from 2011. Personnel expenses fell a total of \$69,940, as a result of the elimination of the Senior Administrative Assistant.

Contractual expenses decreased a total of \$5,810 due to decreases in telephone expenses (\$3,290), service contracts (\$2,760), risk management (\$3,670) and microcomputer expenses (\$8,400). These are offset by an increase in building rental expense (\$9,800).

The supply accounts remained unchanged from 2011.

In 2011, the Mayor's Office spent \$566,665, or 81.8% of its budgeted allocation. Over the past several years, 81% to 104% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for the Mayor's Office in 2012.

# Mayor's Office

## Personnel Review

<b>MAYOR'S OFFICE</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$348,578	\$304,024	(\$44,554)
<b>TOTAL SALARIES</b>		<b><u>\$348,578</u></b>	<b><u>\$304,024</u></b>	<b><u>(\$44,554)</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$71,319	\$63,328	(7,991)
UNEMPLOYMENT TAX		900	900	0
WORKMEN'S COMPENSATION		802	851	49
HEALTH INSURANCE		109,200	91,572	(17,628)
LIFE INSURANCE		390	390	0
PARKING BENEFITS		<u>2,400</u>	<u>2,580</u>	<u>180</u>
<b>TOTAL BENEFITS</b>		<b><u>\$185,011</u></b>	<b><u>\$159,621</u></b>	<b><u>(25,390)</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$533,589</u></b>	<b><u>\$463,645</u></b>	<b><u>(69,944)</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	
MAYOR	ELECTED	1.00	1.00	0.00
CITY ADMINISTRATOR	E-16	1.00	1.00	0.00
EXECUTIVE COORDINATOR TO THE MAYOR	E-8	1.00	1.00	0.00
SR. ADMINISTRATIVE ASSISTANT	E-6	1.00	0.00	(1.00)
ADMINISTRATIVE ASSISTANT	E-5	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>5.00</u></b>	<b><u>4.00</u></b>	<b><u>(1.00)</u></b>

# City Council

## Mission Statement

It is the mission of the City Council, in conjunction with the Mayor, to serve as the legislative and policymaking body of the City of Rockford.

**Primary Functions** → The primary function of the City Council is to act as the legislative body for the City of Rockford.

### 2011 Accomplishments →

- Approved 2011 budget.
- Approved 2011-2015 Capital Improvement Plan.
- Approved a number of development agreements to grow and expand the City's economic base.
- Established dialogue between the City, County and School District regarding fiscal consolidation opportunities.

### 2012 Goals and Objectives →

- Use the City-level strategies - create a livable community, engage citizens in improving education and reducing crime, investing in infrastructure, and becoming a more customer-focused, productive organization - to work towards achieving the Council's five community objectives: increase economic activity, reduce crime, increase living wage jobs, create a qualified, educated workforce, and create vibrant neighborhoods.

### Budget Summary

<b>CITY COUNCIL BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ACTUAL</u>	<u>2012 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$370,170	\$416,330	\$355,446	\$372,937	(\$43,393)
CONTRACTUAL	124,051	165,740	158,382	198,950	33,210
SUPPLIES	750	900	1,151	900	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$494,971</u>	<u>\$582,970</u>	<u>\$514,979</u>	<u>\$572,787</u>	<u>(\$10,183)</u>
<b>STAFFING REVIEW</b>					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>INCREASE (DECREASE)</u>
ELECTED	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>	<u>0.00</u>
<b>FUNDING SOURCE</b>					
		<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>	<u>2012 AMOUNT</u>	<u>2012 PERCENTAGE</u>
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS		\$33,222	5.7	\$33,883	5.9
GENERAL REVENUES		<u>549,748</u>	<u>94.3</u>	<u>538,904</u>	<u>94.1</u>
TOTAL		<u>\$582,970</u>	<u>100.0</u>	<u>\$572,787</u>	<u>100.0</u>

# City Council

## Budget Analysis

The 2012 budget of \$572,787 represents a \$10,180 (1.8%) decrease from the 2011 budget. Personnel expenses decreased \$43,393 with significant reductions in health insurance policies offset by a \$4,800 increase as a result of reversal 2011 voluntary pay reductions.

Contractual expenses for City Council increased \$33,210 through an increase in building rental (\$4,800) and service contracts (\$30,000) offset by a decrease to risk management (\$2,240).

In 2011, the City Council spent \$514,979, or 88.3% of its budgeted allocation. Over the past several years, 86% to 103% of the budget has been spent.

## Personnel Review

<b>CITY COUNCIL</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$168,000	\$168,000	\$0
SALARY SAVINGS		(4,800)	0	4,800
<b>TOTAL SALARIES</b>		<b>\$163,200</b>	<b>\$168,000</b>	<b>\$4,800</b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		32,836	\$33,413	\$577
WORKER'S COMPENSATION		386	470	84
HEALTH INSURANCE		212,576	163,254	(49,322)
LIFE INSURANCE		1,092	1,092	0
PARKING BENEFITS		6,240	6,708	468
<b>TOTAL BENEFITS</b>		<b>\$253,130</b>	<b>\$204,937</b>	<b>(\$48,193)</b>
<b>TOTAL COMPENSATION</b>		<b>\$416,330</b>	<b>\$372,937</b>	<b>(\$43,393)</b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	
<b>POSITION TITLE</b>	ELECTED	14.00	14.00	0.00
<b>TOTAL PERSONNEL</b>		<b>14.00</b>	<b>14.00</b>	<b>0.00</b>

# **Legal Department**

## **Mission Statement**

It is the mission of the Legal Department to act as the legal representative for the City of Rockford, its officers, and its employees.

**Primary Function** → The primary function of the Legal Department is to provide a variety of legal services for administrative issues, legislative issues, land acquisition programs, and support the City's EEO and diversity procurement functions.

### **2011 Accomplishments** →

- Performed all aspects of major litigation and obtained summary judgment and/or dismissals in the following major litigation matters: Anderson-Bey [due process], Doig [auto accident], Gourneau [negligent inspection], Camelin [excessive force], Lewis [fail to maintain property], and McFadden [negligent tree removal/res ipsa loquitor].
- Supervised the City-wide system for Freedom of Information Requests in compliance with the revised FOIA statute of 2010 using SharePoint. The City-wide system processed nearly 2,500 requests during the past year. Researched and drafted responses to Requests for Review to Public Access Counselor.
- Assisted with development and implementation of the police towing and impoundment of vehicles used to flee from police.
- Continuing implementation of "Leads Online" for the recovery of stolen property from pawnbrokers.
- Complete revision of the General Order for the Evidence Division of the Rockford Police Department, including development of new protocol with the Coroner's Office for the processing of found property, evidence and its disposal in the event of the death of the suspect.
- Processed over 200 liability claims against the City.
- Served in a risk management capacity for all direct service departments.
- Supervised the police subpoena process and provided court representation when issues arose in the subpoena process.
- Prosecuted driving under the influence and traffic violations through March 4, 2011, in Circuit Court. Transitioned driving under the influence and traffic prosecution to the State's Attorney's Office. Continue to prosecute ordinance violations in Circuit Court. This provided for reduction in Legal department staffing costs without substantial reduction in revenues.
- On a daily interactive basis, performed function as City-wide FOIA officer, OMA Officer and Local Records Act Officer.

## **Legal Department**

- Representation of the City disciplinary and contract grievances, interest arbitration with PB&PA Unit 6 and continuing labor relations matters with all City bargaining units.
- Continuing participation in the 17<sup>th</sup> Judicial Circuit Court's Truancy Advisory Board.
- Completed the acquisitions for the Morgan Street Bridge project and \$5 million in grade crossing protection funding from the Illinois Commerce Commission, reducing present and future costs for the Morgan Street Bridge and local rail operations.
- Drafted and assisted in the implementation of new outdoor design guidelines and festival zone vendors.
- Drafted and obtained several administrative search warrants to allow inspectors to secure dangerous properties and abate nuisances.
- Staffed the executive committees of each Weed and Seed site, which were successful in obtaining several training grants, extending the life of the grant and reallocating budgetary items to more effectively serve the communities.
- Created and co-chaired Rockford Alliance Against Sexual Exploitation aimed at reducing prostitution and the demand for purchased sex in our community.
- Participated in crime free multi housing training of land lords.
- In an effort to reduce the impacts of liquor establishments on neighborhoods, developed more stringent guidelines for conditions of approval of liquor licenses before the Liquor Advisory Board.

### **2012 Goals and Objectives →**

- Increase economic activity by supporting development projects.
- Finalize right of way acquisition for North Main, Churchill Park storm water management and other infrastructure improvement projects.
- Support Community Development Department through effective drafting and review of development and incentive agreements.
- Reduce crime by effective ordinance adoption and enforcement and support of Weed and Seed initiatives.
- Support transition to geographic policing.
- Increase living wage jobs by continuing expansion of Minority Procurement Policy.
- Create a qualified and educated workforce by supporting Community Education Partnership Initiatives.

# Legal Department

- Create vibrant neighborhoods by supporting Code Enforcement, Weed and Seed Programs and Neighborhood Associations.
- Continue annual negotiation of animal control services intergovernmental agreement and reduction of City costs for animal services.
- Maintain efficient services and control costs through support of labor negotiations.
- Explore outsourcing opportunities within the Legal Department and support outsourcing activities throughout the organization.
- Passage and implementation of revised City towing ordinances.
- Revision and implementation of new procedure for police tow vehicle impounds.
- Passage and implementation of administrative procedure for applications under the Public Safety Employee Benefits Act.

## Budget Summary

LEGAL DEPARTMENT BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$1,623,498	\$1,327,735	\$1,362,464	\$1,220,965	(\$106,770)
CONTRACTUAL	198,609	279,740	197,916	364,220	84,480
SUPPLIES	16,293	23,700	14,777	23,700	0
OTHER	0	0	0	0	0
CAPITAL	0	0	0	0	0
TOTAL	<u>\$1,838,400</u>	<u>\$1,631,175</u>	<u>\$1,575,157</u>	<u>\$1,608,885</u>	<u>(\$22,290)</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
TOTAL	20.00	17.00	12.00	12.00	0.00

FUNDING SOURCE	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE
PROPERTY TAXES				
FRINGE BENEFIT REIMBURSEMENTS	\$179,846	11.0	\$169,365	10.5
MAGISTRATE FINES	665,000	40.8	665,000	41.3
PURCHASE OF SERVICES	534,100	32.7	666,100	41.4
GENERAL REVENUES	<u>252,229</u>	<u>15.5</u>	<u>108,420</u>	<u>6.8</u>
TOTAL	<u>\$1,631,175</u>	<u>100.0</u>	<u>\$1,608,885</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$1,608,885 is a \$22,290 (1.4%) decrease from the 2011 budget. Personnel costs decreased \$106,770 due to the reversal of severance pay for retiring City Attorney (\$53,873),

## Legal Department

reduction in overtime (\$6,000), and elimination of Assistant City Attorney position (\$128,760). This is offset by an increase in health insurance premiums (\$23,140).

Overall contractual expenses increased \$84,480. The primary increases were in risk management (\$56,170) and professional legal fees (\$12,200). Supplies remained the same.

In 2011, the Legal Department spent \$1,575,157, or 96.6% of its budgeted allocation. Over the past several years, 96% to 104% of the budget has been spent.

### Capital Equipment

There are no capital items budgeted for 2012.

### Personnel Review

<b>LEGAL DEPARTMENT</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$953,105	\$792,064	(\$161,041)
TEMPORARY		0	0	0
SEVERANCE		53,873	0	(53,873)
OVERTIME		6,000	0	(6,000)
MERIT PAY		0	0	0
SALARY ADJUSTMENT		(102,912)	0	102,912
<b>TOTAL SALARIES</b>		<b>\$910,066</b>	<b>\$792,064</b>	<b>(\$118,002)</b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$175,177	\$164,987	(\$10,190)
UNEMPLOYMENT TAX		2,700	2,160	(540)
WORKER'S COMPENSATION		1,969	2,218	249
HEALTH INSURANCE		208,364	231,504	23,140
LIFE INSURANCE		1,170	936	(234)
RETIREE HEALTH INSURANCE		14,729	16,848	2,119
PARKING BENEFITS		13,560	10,248	(3,312)
<b>TOTAL BENEFITS</b>		<b>\$417,669</b>	<b>\$428,901</b>	<b>\$11,232</b>
<b>TOTAL COMPENSATION</b>		<b>\$1,327,735</b>	<b>\$1,220,965</b>	<b>(\$106,770)</b>
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	
LEGAL DIRECTOR	E-14	1.00	1.00	0.00
CITY ATTORNEY	E-11	3.00	3.00	0.00
LAND TRANSACTIONS OFFICER	E-7	1.00	1.00	0.00
ASSISTANT CITY ATTORNEY I	E-8	2.00	1.00	(1.00)
DIVERSITY PROCUREMENT OFFICER	E-8	1.00	1.00	0.00
SR. ADMINISTRATIVE ASSISTANT	E-6	1.00	0.00	(1.00)
ADMINISTRATIVE ASSISTANT	E-5	4.00	4.00	0.00
OFFICE ASSISTANT	E-2	2.00	1.00	(1.00)
PERSONNEL ADJUSTMENT		(3.00)	0.00	3.00
<b>TOTAL PERSONNEL</b>		<b>12.00</b>	<b>12.00</b>	<b>0.00</b>

# **Finance Department**

## **Mission Statement**

It is the mission of the Finance Department to account for all municipal resources and to apply such resources in a manner that is most beneficial to the citizens of Rockford.

**Primary Functions** → There are four primary operating functions within the Finance Department.

- **Administration** → The Administration division is responsible for the management of the financial affairs of the city and the supervision of personnel operations within the Finance Department.
- **Central Services** → The Central Services division is responsible for financial planning, risk management, centralized purchasing, and mail/printing services for the City.
- **Accounting** → The purpose of the Accounting division is to provide financial reporting, payroll processing, accounts payable and receivable, fixed asset reporting, special tax collections, billing, and auditing functions.
- **Revenue** → The purpose of the Revenue Division is to collect various revenues, manage the police and fire pension funds, ensure payment to retirees is processed, and invest idle City funds.

## **2011 Accomplishments** →

- Received the Distinguished Budget Award for the 27th consecutive year and the Certificate of Achievement for Excellence in Financial Reporting for the 31st consecutive year from the Government Finance Officers' Association.
- Implemented applicable GASB statements in order to stay in compliance with Generally Accepted Accounting Practices.
- Continued working with Public Works on the parking ticket system process improvement plan which includes installing new parking ticket software.
- Investigated and began conversion of Business Licenses to a new system platform.
- Continue cross training of Finance staff and process improvements with the Department.
- Completed 2010 Pension Fund Audit and transmit the audited information to the Actuary by April 30<sup>th</sup>.
- Completed transition to NOVATime timekeeping system for Community Development and began transition for Police.
- Implemented a system which converts accounts payable originally paid by check to electronic card payments through PNC Bank.

## **Finance Department**

- Purchased and implemented new Contract Management system to improve expenditure tracking and reporting.
- Supported the Outsourcing Subcommittee of the Mayor's Task Force on Finance and Budget in reviewing various City operations for outsourcing or process improvement potential, including coordinating and reporting on ongoing implementation progress.

### **2012 Goals and Objectives →**

- Achieving the Distinguished Budget Presentation Award for the 28th consecutive year and the Certificate of Achievement for Excellence in Financial Reporting for the 32nd consecutive year from the Government Finance Officer's Association.
- Implement applicable GASB statements in order to stay in compliance with Generally Accepted Accounting Practices.
- Continue working with Public Works on the parking ticket system process improvement plan which includes installing new parking ticket software.
- Continue cross training of Finance staff and process improvements with the Department.
- Issue debt to finance projects as necessary.
- Install a payment kiosk that provides 24-hour payment capability for water bills and look for other ways to reroute lobby traffic during peak periods.
- Implement a single log in to access multiple billing accounts with the same owner and make one payment for all accounts.
- Complete 2011 Pension Fund Audit and transmit the audited information to the Actuary by April 30<sup>th</sup>.
- Bring the rest of Police, Fire, and Human Services Departments, and the Library on to the NOVATime timekeeping system.
- Continue implementation of the Outsourcing Subcommittee recommendations on outsourcing and process improvement.

# Finance Department

## Budget Summary

FINANCE DEPARTMENT BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$2,583,360	\$2,489,406	\$2,461,514	\$2,579,554	\$90,148
CONTRACTUAL	1,097,760	1,048,080	963,435	1,198,485	150,405
SUPPLIES	20,341	25,869	16,945	25,869	0
OTHER	2,423,525	4,406,367	4,377,423	3,200,380	(1,205,987)
CAPITAL	0	0	0	0	0
ENCUMBRANCE	0	0	0	0	0
TOTAL	<u>\$6,124,986</u>	<u>\$7,969,722</u>	<u>\$7,819,317</u>	<u>\$7,004,288</u>	<u>(\$965,434)</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE <u>(DECREASE)</u>
TOTAL	<u>34.00</u>	<u>34.00</u>	<u>32.00</u>	<u>32.00</u>	<u>0.00</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
FRINGE BENEFIT REIMBURSEMENTS	\$240,843	3.5	\$240,660	3.0
PURCHASE OF SERVICES	2,149,800	31.0	2,492,200	31.3
FROM OTHER GOVERNMENTS	250,000	3.6	250,000	3.1
GENERAL REVENUES	<u>5,329,079</u>	<u>65.5</u>	<u>4,021,428</u>	<u>65.7</u>
TOTAL	<u>\$7,969,722</u>	<u>100.0</u>	<u>\$7,004,288</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$7,004,288 is a decrease of \$965,434 (12.1%) from the previous year. Personnel expenses increased \$90,148 due to step and longevity increases in salaries (\$8,450), rate increases for IMRF (\$7,860), and health insurance (\$71,838).

Contractual services increased by \$150,405. This is primarily due to an increase in building rent (\$158,500) and equipment rental (\$8,890). The increases are offset by a decrease in service contracts (\$6,450), risk management (\$11,610) and microcomputers (\$4,440). Supplies remained unchanged.

Other expenses decreased by \$1,205,987 mostly due to a decrease to CIP transfers (\$1,200,000).

Of the 32 staff assigned to Finance Department, 20.9 are direct reimbursements.

In 2011, the Finance Department spent \$7,819,317, or 98.1% of its budgeted allocation. In the past several years, 88% to 106% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for 2012.

# Finance Department

## Personnel Review

<b>FINANCE DEPARTMENT</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$1,648,651	\$1,657,101	\$8,450
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$1,648,651</u></b>	<b><u>\$1,657,101</u></b>	<b><u>\$8,450</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$337,315	\$345,175	\$7,860
UNEMPLOYMENT TAX		5,760	5,760	0
WORKER'S COMPENSATION		3,790	4,638	848
HEALTH INSURANCE		468,000	531,024	63,024
RETIREE HEALTH INSURANCE		8,034	16,848	8,814
LIFE INSURANCE		2,496	2,496	0
PARKING BENEFITS		<u>15,360</u>	<u>16,512</u>	<u>1,152</u>
<b>TOTAL BENEFITS</b>		<b><u>\$840,755</u></b>	<b><u>\$922,453</u></b>	<b><u>\$81,698</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$2,489,406</u></b>	<b><u>\$2,579,554</u></b>	<b><u>\$90,148</u></b>
<b>POSITION TITLE</b>	<b>POSTION RANGE</b>	<b>2011 <u>EMPLOYEES</u></b>	<b>2012 <u>EMPLOYEES</u></b>	<b>INCREASE/ (DECREASE)</b>
FINANCE DIRECTOR	E-14	1.00	1.00	0.00
MANAGER	E-11	3.00	3.00	0.00
FINANCIAL ANALYST	E-8	2.00	2.00	0.00
SENIOR ACCOUNTANT	E-8	3.00	3.00	0.00
ACCOUNTANT	E-7	4.00	4.00	0.00
SENIOR ADMIN. ASSISTANT	E-6	1.00	1.00	0.00
ACCOUNTING TECHNICIAN	E-5	1.00	1.00	0.00
SENIOR ACCOUNT CLERK	A-21	6.00	6.00	0.00
PURCHASING TECHNICIAN	A-23	2.00	2.00	0.00
ACCOUNT CLERK	A-19	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>32.00</u></b>	<b><u>32.00</u></b>	<b><u>0.00</u></b>

## Performance Measures

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Purchase Orders issued	11,597	10,364	8,607	9,000
Bids/RFP's issued	211	141	134	140
Consecutive Years receiving GFOA Budget Award	25	26	27	28
Consecutive Years receiving GFOA Financial Reporting Award	30	31	32	33
Bond Issues	1	1	0	0
Investment Earnings	478,887	1,275,955	1,107,897	1,200,000

# **Information Technology Department**

## **Mission Statement**

The Mission of Information Technology is to support the objectives of the Mayor, City Council, and Department Heads by providing technical leadership in Information Technology planning, implementation, and support.

### **Primary Functions →**

- Provide technical service and support to City employees, enabling them to work efficiently and effectively.
- Ensure the safety and integrity of the City's data and network.
- Provide technical leadership and direction for projects requiring Information Technology support.

### **2011 Accomplishments→**

- Upgraded City's financial system to latest production release.
- Upgraded Police Records Management system to production release.
- Supported implementation of Police Department's I-clear system.
- Upgraded Hansen Planning / Permitting / Code Enforcement / on-line permitting systems.
- Upgraded network monitoring and alerting system.
- Implemented Phase II of enhanced data protection and recovery system.
- Upgraded SharePoint infrastructure to 2010 version.
- Upgraded Email server to 2010 version.
- Began upgrading PCs to Windows 7.
- Finalized printer consolidation project.
- Began implementation of nine-county ARRA Broadband project.
- Continued data center consolidation efforts.
- Supported the reporting needs for RockStat.

# **Information Technology Department**

## **2012 Goals and Objectives→**

- Finalize implementation of Dashboard project.
- Continue implementation of nine-county ARRA Broadband project.
- Finalize implementation of new ticketing system.
- Implement new False Alarm system.
- Implement new Munis modules as recommended by outsourcing subcommittee of the Mayor's Finance Advisory Board.
- Upgrade disk storage infrastructure.
- Replace City's multiple phone systems with a single system.

# Information Technology Department

## Budget Summary

INFORMATION TECHNOLOGY FUND					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$573,660	\$578,395	\$570,011	\$585,144	\$6,749
CONTRACTUAL	1,368,803	1,447,862	1,528,441	1,566,783	118,921
SUPPLIES	49,743	36,500	47,078	36,500	0
OTHER	<u>522,205</u>	<u>408,902</u>	<u>462,430</u>	<u>455,960</u>	<u>47,058</u>
TOTAL	<u>\$2,514,411</u>	<u>\$2,471,659</u>	<u>\$2,607,960</u>	<u>\$2,644,387</u>	<u>\$172,728</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
	8.00	6.00	6.00	6.00	0.00

FUNDING SOURCE	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE
INFORMATION TECHNOLOGY CHARGES				
GENERAL FUND	\$1,994,370	75.3	\$2,047,300	72.1
OTHER FUNDS	<u>655,840</u>	<u>24.7</u>	<u>793,760</u>	<u>27.9</u>
TOTAL	<u>\$2,650,210</u>	<u>100.0</u>	<u>\$2,841,060</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$2,644,387 is an increase of \$172,728 (6.9%) from 2011. Personnel costs increased \$6,800 due to increases in IMRF (\$1,400), workers compensation (\$200), and rate increases in health insurance (\$4,800).

Contractual services increased \$118,921 from the prior year. Consulting fees increase \$74,400 as a result of increases in ATS contract fees. Other increases include maintenance office equipment (\$14,900), and building rental (\$3,500). This increase is offset by a decrease in telephone allocation (\$2,760) and service contracts (\$18,600).

Supplies remained unchanged. Depreciation increased \$47,060.

In 2011, Information Technology spent \$2,607,960, or 105.6% of its budgeted allocation. In the past several years, 75% to 109% of the budget has been spent.

# Information Technology Department

## Five Year Financial Forecast

The 2013-2017 forecast assumes operations will continue as they are programmed for 2012 and that costs will increase annually. Budgets are developed so funds are annually available for fixed assets. Since this is an internal service fund, charges will recover expenditures.

Information Technology Internal Service Fund 2013-2017 Financial Forecast (In 000s)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$2,955	\$3,073	\$3,196	\$3,324	\$3,457
Expenditures	<u>2,750</u>	<u>2,860</u>	<u>2,974</u>	<u>3,093</u>	<u>3,217</u>
Excess (Deficit)	<u>205</u>	<u>213</u>	<u>222</u>	<u>231</u>	<u>240</u>
Beginning Balance	<u>456</u>	<u>661</u>	<u>874</u>	<u>1,096</u>	<u>1,327</u>
Ending Balance	<u>\$661</u>	<u>\$874</u>	<u>\$1,096</u>	<u>\$1,327</u>	<u>\$1,567</u>

## Fixed Assets

The 2012 budget of \$480,000 for fixed assets includes the NAS/SAN Upgrade, Voice over the internet protocol phone system, and Hansen upgrades.

FIXED ASSETS INFORMATION TECHNOLOGY DEPARTMENT 2012 BUDGET		
DESCRIPTION	ACCOUNT	AMOUNT
NAS/SAN Upgrade	79928	\$170,000
10 GB Switch Blade	79928	20,000
VOIP	79928	250,000
Hansen EPACK	79928	15,000
Hansen Online SRs	79928	15,000
Hansen Call Center	79928	10,000
TOTAL CURRENT FIXED ASSETS		\$480,000

# Information Technology Department

## Personnel Review

INFORMATION TECHNOLOGY DEPARTMENT				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$397,759	\$397,759	\$0
OVERTIME		0	0	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$397,759</u></b>	<b><u>\$397,759</u></b>	<b><u>\$0</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$81,381	\$82,853	\$1,472
UNEMPLOYMENT TAX		1,080	1,080	0
WORKER'S COMPENSATION		915	1,114	199
HEALTH INSURANCE		93,912	98,774	4,862
LIFE INSURANCE		468	468	0
PARKING BENEFITS		<u>2,880</u>	<u>3,096</u>	<u>216</u>
<b>TOTAL BENEFITS</b>		<b><u>180,636</u></b>	<b><u>187,385</u></b>	<b><u>6,749</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$578,395</u></b>	<b><u>\$585,144</u></b>	<b><u>\$6,749</u></b>
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	
IT DIRECTOR	E-14	1.00	1.00	0.00
SENIOR IT SPECIALIST	E-9	4.00	4.00	0.00
IT SPECIALIST	E-8	1.00	1.00	0.00
COMPUTER TECHNICIAN	A-21	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>6.00</u></b>	<b><u>6.00</u></b>	<b><u>0.00</u></b>

# **Human Resources Department**

## **Mission Statement**

The mission of the Human Resources Department is to support the goals and challenges of The City of Rockford by providing services which promote a work environment that is characterized by fair treatment of employees, open communications, personal accountability, trust and mutual respect. We will seek and provide solutions to workplace issues that support and optimize the operating principles of The City of Rockford.

**Primary Functions** → The primary function of the Human Resources Department is to proactively manage employee relations, to work cooperatively with management and staff to develop a strong leadership team, administer the City's benefit program, recruit and interview job applicants, develop and implement employee training programs, coordinate employee activities and maintain personnel files.

### **2011 Accomplishments** →

- Successfully managed the change from ECOH and UMR to Blue Cross Blue Shield as health network and third party administrator, which covers approximately 3,300 lives.
- Completed the second full year of the employee-based wellness initiative "COR Wellness".
  - Opened the city's first Wellness Center
  - Held five Lunch & Learn events which included healthy lunch choices and a speaker focused on wellness initiatives.
  - Hosted ten evening Wellness Educational sessions which focused on topics such as Back Wellness or Diabetes Prevention.
- Completed initial analysis for the transition to an automated Human Resource Information System (HRIS).
- Developed a consistent and measurable hiring process which allowed for better candidate selection and minimized vacancies in the work site.
- Began comprehensive study on employee leaves and absences.
- Worked in partnership with the Rockford Police Department to begin weekly reviews of worker's compensation and absence review.
- Continued monitoring the reporting capabilities of the City's third party administrator for Family Medical Leave Act and timekeepers to ensure accurate tracking of leave hours.
- Continued work with health insurance broker to right-size the City's health insurance fund, reversing a course from a deficit in the health insurance fund of \$2.815 million to a surplus of \$2.850 million.

## **Human Resources Department**

- Began working with the Health Focus Group (HFG) to bring more structure to the group, empowering the employee leaders to move proactively into benefit planning.
- Conducted Supervisor/Manager Training for more than 200 managers and supervisors on topics such as Reasonable Cause, EAP Referral, and Leave Management.
- Began reviewing existing employment tests to insure that instruments are valid and reliable.
- Successfully transitioned the temporary staffing services to one vendor which allowed for better contract management and a comprehensive staffing approach.
- Moved to National Vision Administrators LLC (NVA) for vision insurance which allowed for better customer service, more providers, and a more robust benefit.
- Offered “Retirewise” financial educational and pre-retirement sessions for City employees.
- Conducted the annual Employee Blood Drive, United Way program, Chili Shoot Out and the Employee Award ceremony.
- Acted as advocate for employees for health benefit concerns allowing for more comprehensive care and the resolution to billing concerns.
- Designed a comprehensive HR calendar which will allow employees to plan for training, benefit enrollments, and wellness opportunities.
- Reviewed pharmacy and dental benefits third party administrators to insure best practices, pricing, and customer service standards are continuously met.
- Conducted Employment Law training for all managers and supervisors.

### **2012 Goals and Objectives →**

- Investigate and hire a new third-party administrator for the City’s Worker’s Compensation program.
- Complete risk management analysis and continue with implementation of risk management program.
- Continue to develop stronger partnerships with City departments through onsite training, work observation, and customer-focused hiring practices.
- Work directly with hiring managers to develop better partnerships in the hiring practice.

## **Human Resources Department**

- Continue pro-active management of employee benefit program which will allow for integration of changes required by the Health Care Reform Act.
- Continue developing the City's training program through in-house resources, grants, and private sector partnerships.
- Explore the potential savings by utilizing current pharmacy benefit managers for purchase of prescriptions by employees covered by workers' compensation.
- Develop union management meetings which will encourage more open communications and problems solving at the supervisory level.
- Encourage employees to participate in pre-tax savings programs such as flexible spending and the 457 plan.
- Complete Rules and Regulations update to reflect current laws, practices, and policies.
- Integrate City's core values and organizational philosophy into daily operations, creating a culture of excellence.

# Human Resources Department

## Budget Summary

HUMAN RESOURCES DEPARTMENT BUDGET SUMMARY					
	2010	2011	2011	2012	INCREASE
APPROPRIATION	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERSONNEL	\$593,372	\$517,249	\$525,692	\$518,203	\$954
CONTRACTUAL	128,948	125,980	113,358	134,525	8,545
SUPPLIES	4,349	6,800	3,502	6,800	0
OTHER	0	0	0	0	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$726,669</u>	<u>\$650,029</u>	<u>\$642,552</u>	<u>\$659,528</u>	<u>\$9,499</u>
STAFFING REVIEW					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>INCREASE (DECREASE)</u>
TOTAL	7.00	6.00	5.00	5.00	0.00
FUNDING SOURCE					
		<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>	<u>2012 AMOUNT</u>	<u>2012 PERCENTAGE</u>
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENT		\$86,548	12.5	\$73,942	11.2
TRANFERS FROM OTHER FUNDS		188,400	27.2	236,326	35.8
GENERAL REVENUES		<u>417,362</u>	<u>60.3</u>	<u>349,260</u>	<u>53.0</u>
TOTAL		<u>\$692,310</u>	<u>100.0</u>	<u>\$659,528</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$659,528 represents a \$9,500 (1.5%) increase from the 2011 budget. Personnel costs increased \$1,000 due to an increase in IMRF (\$1,280) offset by a decrease in health insurance (\$2,700).

Contractual services increased \$8,550 due to increases in telephone (\$1,600), microcomputers (\$2,900) and building rental (\$4,380) allocations offset by a decrease in risk management (\$1,520). Supplies remained the same.

In 2011, the Human Resources Department spent \$642,552, or 98.8% of its budgeted allocation. Over the past several years, 92% to 105% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for 2012.

# Human Resources Department

## Personnel Review

<b>HUMAN RESOURCES DEPARTMENT</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	<b>(DECREASE)</b>
PERMANENT		<u>\$345,982</u>	<u>\$348,003</u>	<u>\$2,021</u>
<b>TOTAL SALARIES</b>		<u>\$345,982</u>	<u>\$348,003</u>	<u>\$2,021</u>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$70,788	\$72,072	\$1,284
UNEMPLOYMENT TAX		900	900	0
WORKER'S COMPENSATION		797	970	173
HEALTH INSURANCE		95,992	93,288	(2,704)
LIFE INSURANCE		390	390	0
PARKING BENEFITS		<u>2,400</u>	<u>2,580</u>	<u>180</u>
<b>TOTAL BENEFITS</b>		<u>\$171,267</u>	<u>\$170,200</u>	<u>(\$1,067)</u>
<b>TOTAL COMPENSATION</b>		<u>\$517,249</u>	<u>\$518,203</u>	<u>\$954</u>
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	<b>(DECREASE)</b>
HUMAN RESOURCES DIRECTOR	E-14	1.00	1.00	0.00
COMPENSATION & BENEFITS MGR.	E-10	1.00	1.00	0.00
HUMAN RESOURCES MGR.	E-10	0.00	0.00	0.00
HUMAN RESOURCES SPECIALIST	E-7	2.00	2.00	0.00
ADMINISTRATIVE ASSISTANT	E-5	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<u>5.00</u>	<u>5.00</u>	<u>0.00</u>

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Applications	3,600	2,547	1,870	2,100
Vacancies Filled	60	50	51	50
Worker's Comp Claims	242	259	233	234
Worker's Comp Lost Days	663	1,676	1,380	1,380
Training Sessions	60	30	22	50
Health Insurance Participants	1,505	1,240	1,200	1,200
Flex Spending Participants	325	384	338	321

# Board of Election Commissioners

## Mission Statement

It is the mission of the Board of Election Commissioners to conduct elections and voter registration in the most efficient and accessible manner possible to the public.

**Primary Functions** → The primary function of the Board of Election Commissioners is to conduct all elections held within the City of Rockford, to provide registration opportunities for City residents, and to maintain a system of permanent registration of voters.

	FEBRUARY/ MARCH PRIMARIES	APRIL CONSOLI- DATED	GENERAL/ NON- PARTISAN		FEBRUARY/ MARCH PRIMARIES	APRIL CONSOLI- DATED	GENERAL/ NON- PARTISAN		FEBRUARY/ MARCH PRIMARIES	APRIL CONSOLI- DATED	GENERAL/ NON- PARTISAN
1999		76,333 18,567 24.32%		2005	84,374 7,092 8.41%	88,781 33,716 37.98%	88,781 33,716 37.98%	2011		86,110 12,536 14.56%	
2000	80,753 17,467 21.63%		85,630 55,698 65.04%	2006	80,359 21,122 26.28%		82,058 38,224 46.58%	2012	89,005 20,244 22.74%		
2001	83,463 6,038 7.23%	83,665 37,343 44.63%	86,899 39,080 44.97%	2007		83,070 22,142 26.65%					
2002	83,563 27,639 33.08%		79,624 39,077 49.08%	2008	76,371 29,478 38.60%		85,871 59,609 69.42%				
2003		81,366 19,900 24.46%		2009	86,954 3,530 4.06%	87,357 22,408 25.65%					
2004	80,330 19,228 23.94%		87,937 57,905 65.85%	2010	87,357 12,508 14.32%						

### 2011 Accomplishments →

- Successfully conduct the Consolidated General Election in November.
- Performed training for deputy registrars as appointed.
- Printed and mailed 88,000 voter identification cards within the City per law.

### 2012 Goals and Objectives →

- Conduct a General Primary Election on February 20, 2012.
- Conduct the Gubernatorial General Election on November 6, 2012.

# Board of Election Commissioners

## Budget Summary

BOARD OF ELECTION BUDGET SUMMARY					
APPROPRIATION	2010	2011	2011	2012	INCREASE
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERSONNEL	\$364,822	442,395	\$253,797	\$452,218	\$9,823
CONTRACTUAL	556,325	304,857	356,758	376,110	71,253
SUPPLIES	0	36,450	0	37,784	1,334
CAPITAL	0	25,000	0	25,000	0
OTHER	0	0	0	0	0
TOTAL	<u>\$921,147</u>	<u>\$808,702</u>	<u>\$610,555</u>	<u>\$891,112</u>	<u>\$82,410</u>

FUNDING SOURCE	2011	2011	2012	2012
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
COUNTY PROPERTY TAX TRANSFER	\$808,702	100.0	\$891,112	100.0
TOTAL	<u>\$808,702</u>	<u>100.0</u>	<u>\$891,112</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget is \$891,112, which is a \$82,410 (10.2%) increase from the 2011 budget. Personnel costs increase \$9,823 due to increases in temporary staff (\$11,400), health insurance (\$5,070), and overtime (\$12,500). The increases were partially offset by decreases in permanent salaries (\$7,100) and IMRF (\$12,000).

Contractual services increased \$71,253 mostly due to an increase in printing expenses (\$47,550) and advertising (\$20,500).

Supplies increased slightly \$1,334 due to an increase in computer supplies (\$7,980) offset by a decrease in general office supplies (\$6,650).

In 2011, the Board of Election Commissioners spent \$610,555, or 75.5% of its budgeted allocation. In the past several years, 98% to 113% of the budget has been spent.

## Capital Equipment

For 2012, the Board of Election Commissioners have budgeted \$25,000 for election equipment.

CAPITAL EQUIPMENT BOARD OF ELECTIONS 2012 BUDGET	
<u>DESCRIPTION</u>	<u>AMOUNT</u>
ELECTION EQUIPMENT FUND	<u>\$25,000</u>
TOTAL CAPITAL	<u>\$25,000</u>

# Community and Economic Development Administration

## Mission Statement

It is the mission of Community and Economic Development Administration to provide leadership, foster partnerships, and provide balanced growth to enhance life in all neighborhoods.

**Primary Functions** → The primary function of the Administration Division is to provide direction and administrative support to the Department of Community and Economic Development.

### 2011 Accomplishments →

- Continued process improvements to enhance department performance.
- Continued the City's pursuit of stimulus dollars.
- Continued to attract and retain jobs.
- Recommended solution to cut costs while maintaining service levels.

### 2012 Goals and Objectives →

- Continue process improvements to enhance department performance.
- Continue the City's pursuit of stimulus dollars or other grant dollars.
- Continue to attract and retain jobs.

### Budget Summary

<b>CD ADMINISTRATION DIVISION BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ACTUAL</u>	<u>2012 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$153,098	\$194,714	\$193,507	\$196,352	\$1,638
CONTRACTUAL	25,433	29,465	27,466	27,200	(2,265)
SUPPLIES	1,414	2,020	1,568	2,020	0
OTHER	0	0	0	0	0
CAPITAL	0	0	0	0	0
<b>TOTAL</b>	<u>\$179,945</u>	<u>\$226,199</u>	<u>\$222,541</u>	<u>\$225,572</u>	<u>(\$627)</u>
<b>STAFFING REVIEW</b>					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>INCREASE (DECREASE)</u>
	2.00	1.50	1.50	1.50	0.00
<b>FUNDING SOURCE</b>					
		<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>	<u>2012 AMOUNT</u>	<u>2012 PERCENTAGE</u>
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS		\$31,286	12.1	\$31,705	14.1
GENERAL REVENUES		227,717	87.9	193,867	85.9
<b>TOTAL</b>		<u>\$259,003</u>	<u>100.0</u>	<u>\$225,572</u>	<u>100.0</u>

# Community and Economic Development Administration

## Budget Analysis

The 2012 budget is \$225,572 which is a decrease of \$627 from the previous year. Personnel costs increased \$1,640 due to increases in both IMRF and health insurance rates.

Contractual costs decreased \$2,270 as a result of decreases in microcomputers (\$1,630), fuel (\$1,380), and risk management (\$1,260) offset by increases in travel (\$1,250) and building rent (\$1,550). Supplies remain unchanged.

In 2011, the Administrative Division spent \$222,541 or 98.4% of its budgeted allocation. In the past several years, 67% to 159% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for 2012.

## Personnel Review

<b>COMMUNITY DEVELOPMENT ADMINISTRATION DIVISION</b>					
<b>BENEFITS AND SALARIES</b>					
<b>SALARY</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>	
		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>		
PERMANENT		\$145,121	\$145,121	\$0	
MERIT PAY		0	0	0	
SALARY ADJUSTMENT		0	0	0	
<b>TOTAL SALARIES</b>		<b><u>\$145,121</u></b>	<b><u>\$145,121</u></b>	<b><u>\$0</u></b>	
<b>BENEFITS</b>					
ILLINOIS MUNICIPAL RETIREMENT		\$29,692	\$30,229	\$537	
UNEMPLOYMENT TAX		270	270	0	
WORKMEN'S COMPENSATION		334	406	72	
HEALTH INSURANCE		18,460	19,435	975	
RETIREE INSURANCE		0	0	0	
LIFE INSURANCE		117	117	0	
PARKING BENEFITS		720	774	54	
<b>TOTAL BENEFITS</b>		<b><u>\$49,593</u></b>	<b><u>\$51,231</u></b>	<b><u>1,638</u></b>	
<b>TOTAL COMPENSATION</b>		<b><u>\$194,714</u></b>	<b><u>\$196,352</u></b>	<b><u>\$1,638</u></b>	
<b>PERSONNEL</b>					
<b>POSITION TITLE</b>	<b>POSTION RANGE</b>	<b>2011 EMPLOYEES</b>	<b>2012 EMPLOYEES</b>	<b>INCREASE/ (DECREASE)</b>	
DIRECTOR	E-14	1.00	1.00	0.00	
SENIOR ADMIN ASSISTANT	E-6	0.50	0.50	0.00	
<b>TOTAL PERSONNEL</b>		<b><u>1.50</u></b>	<b><u>1.50</u></b>	<b><u>0.00</u></b>	

# **Planning Division**

## **Mission Statement**

It is the mission of the Planning Division to encourage and guide balanced growth and development and enhance the quality of life in all neighborhoods by providing quality planning, development, and neighborhood services.

**Primary Functions** → The primary functions of the Planning Division are administering environmental assessment, cleanup and redevelopment of City-owned Brownfield sites, and developing various long-range planning programs which include comprehensive growth management/fiscal impact analysis, the River Edge initiative, focus area/neighborhood plans, annexation strategies, the implementation of the recommendations of the 20/20 Plan, Historic Preservation, Intergovernmental Annexation Boundary Agreement, and numerous other programs. The Planning Division also manages, coordinates, or assists with numerous major projects occurring within the City of Rockford, such as the Federal Courthouse project and the redevelopment of older commercial and industrial sites.

### **2011 Accomplishments** →

- Drafted text amendments to the 2020 Plan as the first step in a major update of the 2020 Plan and preparation of a 2030 Plan.
- Provided grants administration and coordination of the Brownfields Program and project oversight on two major cleanup efforts at Barber Colman: groundwater injections were done to neutralize cleaning solvents and demolition of buildings 10 and 19. These projects brought the Barber Colman Site closer to the redevelopment goal.
- Grant applications were prepared for \$1.7 million in new Brownfield funds. Grant announcements for additional funds will be made in May of 2012.
- Prepared grant applications for numerous supplemental programs including the USEPA Supplemental Revolving Loan Fund Grant Program; Pilot USEPA Brownfield Combined Assessment and Cleanup Grant Program, and others.
- Prepared the Action Memo Community Relations Plan, loan documents, and bid specifications for the demolition of the Tapco building.
- Managed the South Main Corridor study including assistance with the workshops and coordination between the consultants, city staff and administrators.
- Administered the \$200,000 Cleanup Grant for the Ingersoll buildings and coordinated the cleanup work including preparation of bid specifications for the asbestos removal portion of the project. Cleanup is 70% complete.
- Continued assistance to the Historic Preservation Commission.
- Prepared closeout reports and successfully closed out the FY08 USEPA Cleanup Grants (\$600,000) and USEPA Assessment Grant (\$400,000).

## **Planning Division**

- Prepared request for proposals and marketing plan for the Amerock Building; following review by the IHPA, this request was advertised and sent to over 100 potential developers.
- Provided grant administration and prepared quarterly report for the Energy Efficiency and Conservation Block Grant, a \$1.58 million grant from the 2009 Federal Stimulus Bill.
- Completed the Environmental Assessment work in the West State Corridor, Phase I of the IDOT project.
- Completed the Environmental Assessment of the South Main Raid Yard Site; applications submitted for cleanup grants.
- Completed the progress reports for the Hope VI Focus Area Action Plan and the College/Seminary Focus Area Action Plan.

### **2012 Goals and Objectives →**

- Complete the major five year review, update and amendments to the 2020 Plan initiated in November of 2011, and obtain approval of the plan as the 2030 Plan.
- Complete the South Main Street Revitalization Strategy. Prepare amendments to the 2030 plan accordingly.
- Complete the environmental cleanup work at the Barber Colman Complex, the Ingersoll complex and the West State Corridor from Kent Creek to Central Ave and the priority downtown sites. Initiate the implementation of environmental cleanup at additional Brownfield sites using River Edge and USEPA Brownfield Revolving Loan Funding.
- Assist with the River Edge Redevelopment project initiatives and potential grant-funded projects for historic preservation such as a potential projects as the Brewhouse, TAPCO, Amerock, the Elks Club and Armory.
- Direct Brownfield redevelopment efforts, including environmental assessments, remedial action plans, cleanups and redevelopment planning.
- Prepare USEPA grant applications for assessment grants, cleanup grants, revolving loan grants, job training grants, and Pilot programs.
- Continue to create tools and strategies to assist in the growth of the commercial and industrial employment base in the City of Rockford working with our economic development partners in the region to facilitate development opportunities.
- Help support activities which retain jobs in the community, particularly in the industrial sector.
- Assist in the removal and or reuse of blighted and underutilized properties.

# Planning Division

- Prepare a progress report for the Kishwaukee Corridor Study Action Plan.
- Maintain database of City-owned properties.
- Facilitate the Ward redistricting process, using the 2010 census data.

## Budget Summary

<b>CD PLANNING DIVISION BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$507,793	\$439,434	\$422,847	\$429,454	(\$9,980)
CONTRACTUAL	93,179	83,550	86,575	74,050	(9,500)
SUPPLIES	2,735	1,970	972	1,970	0
OTHER	38,470	0	13,037	0	0
CAPITAL	0	0	0	0	0
ENCUMBRANCES	0	0	0	0	0
TOTAL	<u>\$642,177</u>	<u>\$524,954</u>	<u>\$523,431</u>	<u>\$505,474</u>	<u>(\$19,480)</u>
<b>STAFFING REVIEW</b>					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
	6.30	5.30	4.30	4.30	0.00
<b>FUNDING SOURCE</b>					
		<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>	<u>2012 AMOUNT</u>	<u>2012 PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$71,776	12.9	\$64,128	11.7
CDBG FUND		136,880	0.0	136,880	24.9
TIF FUNDS		210,300	0.0	211,400	38.5
ZONING FEES		121,270	21.8	121,270	22.1
OTHER GOVERNMENTS(RATS)		15,000	2.7	15,000	2.7
GENERAL REVENUES		0	62.6	0	0.1
TOTAL		<u>\$555,226</u>	<u>100.0</u>	<u>\$548,678</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget is \$505,474, a decrease of \$19,480 (3.7%) from the previous year. Personnel costs decreased \$9,980 as a result of the reduction in temporary pay (\$15,000) offset by increased health insurance rates (\$3,700).

Contractual costs decrease \$9,500 mostly due to a reduction in risk management and microcomputer allocations. Supply costs remain unchanged.

In 2011, the Planning Division spent \$523,431 or 99.7% of the budgeted allocation. In the past several years, 89% to 106% of the budgeted amount has been spent.

# Planning Division

## Capital Equipment

No capital equipment is planned for 2012.

## Personnel Review

<b>COMMUNITY DEVELOPMENT PLANNING DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	<b><u>(DECREASE)</u></b>
PERMANENT		\$288,504	\$288,504	\$0
TEMPORARY		15,000	0	(15,000)
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$303,504</u></b>	<b><u>\$288,504</u></b>	<b><u>(\$15,000)</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$59,028	\$60,096	\$1,068
UNEMPLOYMENT TAX		774	774	0
WORKMEN'S COMPENSATION		664	808	144
HEALTH INSURANCE		65,031	68,294	3,263
RETIREE INSURANCE		8,034	8,424	390
LIFE INSURANCE		335	335	0
PARKING BENEFITS		2,064	2,219	155
<b>TOTAL BENEFITS</b>		<b><u>\$135,930</u></b>	<b><u>\$140,950</u></b>	<b><u>\$5,020</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$439,434</u></b>	<b><u>\$429,454</u></b>	<b><u>(\$9,980)</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>(DECREASE)</u></b>
PLAN & ZONING PROGRAMS MANAGER	E-11	1.00	1.00	0.00
INDUSTRIAL DEVELOPMENT MANAGER	E-10	1.00	1.00	0.00
PLANNER II	E-8	1.00	1.00	0.00
DEVELOPMENT SPECIALIST	E-8	1.00	1.00	0.00
SR ADMINISTRATIVE ASSISTANT	E-6	<u>0.30</u>	<u>0.30</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>4.30</u></b>	<b><u>4.30</u></b>	<b><u>0.00</u></b>

# **Code Enforcement Division**

## **Mission Statement**

It is the mission of the Code Enforcement unit is to enforce codes and ordinances to attain a higher quality of life by promoting a safer, cleaner, and more beautiful city for all to enjoy.

**Primary Functions** → The primary functions of the Code Enforcement unit are to address violation of ordinances, zoning regulations and public safety concerns.

### **2011 Accomplishments** →

- Rewrote city-wide clean-up contractor request for qualifications for greater control of bidding and work processes.
- Sought out neighborhood groups and seminars as means to educate and inform the public concerning ordinances and zoning regulations.
- Acted as liaison between Weed and Seed Restoration Committee, Rockford Urban Ministries, and non-profit "Know Sweat" from Joplin, Missouri.
- Integrated full responsibility of administering solid-waste contract into organizational framework of Code Enforcement.
- Assisted Police Department in enforcement sweep efforts as part of their Summer Crime Initiative in various targeted neighborhoods.
- Provided coded information to recover maintenance services costs through the Neighborhood Stabilization Program land banking provision.
- Successfully maintained 138 City owned lots under the Division's control.
- Maintained a high level of customer service despite staff reductions.
- Successfully completed Project Facelift with several external and internal partnerships.
- Performed a citywide informational sweep named "4-11" with the help of many groups.
- Conducted a CPTED modeled enforcement sweep of the ORCHID neighborhood for the Kishwaukee Weed and Seed group.

### **2012 Goals and Objectives** →

- Develop a permit process for Property Standard complaints to help recover costs associated with inspection protocol.

## **Code Enforcement Division**

- Create a survey administered by staff that can assist in determining public awareness of ordinances and zoning regulations and serve as an educational tool.
- Continue to improve Code Enforcement templates used in Rockstat presentations.
- Continued involvement in the Summer Work Camp program in cooperation with Rockford Urban Ministries, Weed and Seed East and West and Human Services.
- Continued cooperation with Human Services in facilitating project SWEEP.
- Develop method to better market project SWEEP to better utilize talents available.
- Continue effort with Faith Center Church to clean alleys and determine alternative projects in case of inclement weather.
- Continue to assemble ideas for improving the solid waste contract at renewal.
- Assemble and proceed with Project Facelift II with established and new partners.
- Re-designate inspection zones to reflect further staff reductions.
- Research available means to fund 2012 Summer Weeds Program.

### **Budget Summary**

<b>CD CODE ENFORCEMENT DIVISION BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$875,776	\$757,966	\$784,381	\$775,091	\$17,125
CONTRACTUAL	454,200	434,065	373,598	515,480	81,415
SUPPLIES	6,249	4,025	2,694	4,025	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$1,336,225</u>	<u>\$1,196,056</u>	<u>\$1,160,673</u>	<u>\$1,294,596</u>	<u>\$98,540</u>
<b>STAFFING REVIEW</b>					INCREASE <u>(DECREASE)</u>
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	
	14.20	12.20	10.20	10.20	0.00
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$123,718	10.3	\$135,191	10.4
CDBG FUND		570,260	47.7	570,260	44.0
SANITATION FUND		254,398	21.3	274,518	21.2
FEEES		10,000	0.8	20,000	1.5
GENERAL REVENUES		<u>237,680</u>	<u>20.7</u>	<u>294,627</u>	<u>22.9</u>
TOTAL		<u>\$1,196,056</u>	<u>100.8</u>	<u>\$1,294,596</u>	<u>100.0</u>

# Code Enforcement Division

## Budget Analysis

The 2012 budget is \$1,294,596, an increase of \$98,540 (8.2%) from the previous year. Personnel expenditures increased by \$17,125 due to increases in IMRF (\$2,050), Workman's Compensation (\$4,510), and health insurance (\$8,270) rates.

Contractual costs are budgeted at \$515,480, an increase of \$81,400. Increases include microcomputer charges (\$72,810), equipment rental (\$7,100), risk management (\$4,900) and building rental (\$7,100) offset by decreases in printing (\$9,810), and telephone charges (\$1,500).

The supply budget totals \$4,025, which includes moderate expenditures for office supplies.

In 2011, the Code Enforcement Division spent \$1,160,673, or 97.1% of its budgeted allocation. In the past several years, spending has been 91% to 105% of the budget.

## Capital Equipment

No capital equipment is planned for 2012.

## Personnel Review

<b>COMMUNITY DEVELOPMENT CODE ENFORCEMENT DIVISION</b>				
<b>BENEFITS AND SALARIES</b>				
<b>SALARY</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$468,101	\$469,638	\$1,537
TEMPORARY		0	0	0
OVERTIME		0	0	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		0	0	0
<b>TOTAL SALARIES</b>		<b><u>\$468,101</u></b>	<b><u>\$469,638</u></b>	<b><u>\$1,537</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$95,774	\$97,825	\$2,051
UNEMPLOYMENT TAX		1,836	1,836	0
WORKMEN'S COMPENSATION		21,988	26,500	4,512
HEALTH INSURANCE		156,541	164,809	8,268
LIFE INSURANCE		796	796	0
RETIREE HEALTH INSURANCE		8,034	8,424	390
PARKING BENEFITS		4,896	5,263	367
<b>TOTAL BENEFITS</b>		<b><u>\$289,865</u></b>	<b><u>\$305,453</u></b>	<b><u>\$15,588</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$757,966</u></b>	<b><u>\$775,091</u></b>	<b><u>\$17,125</u></b>
<b>PERSONNEL</b>				
<b>POSITION TITLE</b>	<b>POSTION RANGE</b>	<b>2011 EMPLOYEES</b>	<b>2012 EMPLOYEES</b>	<b>INCREASE/ (DECREASE)</b>
BUILDING OFFICIAL		0.00	0.00	0.00
PROPERTY IMPROVEMENT PROG MANAGE	E-9	1.00	1.00	0.00
NEIGHBORHOOD ZONE COORDINATOR	E-7	1.00	1.00	0.00
SR ADMINISTRATIVE ASSISTANT	E-6	0.20	0.20	0.00
SENIOR BUILDING INSPECTOR	CD-24	1.00	1.00	0.00
NEIGHBORHOOD ENFORCEMENT SPECIALI	CD-15	5.00	5.00	0.00
SENIOR CLERK	A-19	2.00	2.00	0.00
<b>TOTAL PERSONNEL</b>		<b><u>10.20</u></b>	<b><u>10.20</u></b>	<b><u>0.00</u></b>

# **Code Enforcement Division**

## **Performance Measurements**

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Weed Complaints	3,417	3,530	3,200	3,300
Vehicle Tows	17	18	23	25

# **Construction & Development Services Division**

## **Mission Statement**

It is the mission of the Construction and Development Services Division to provide consolidated services to our customers while promoting economic development and protecting the public health, safety, and welfare of the citizens of Rockford through balanced growth initiatives, the review of land use, subdivisions, issuance of permits, performance of inspections, and the enforcement of various codes and ordinances.

**Primary Functions** → The primary function of the Construction and Development Services Division is to provide building, mechanical, and electrical inspections for all existing and new construction, as well as administering land use planning and zoning policies and ordinances.

### **2011 Accomplishments** →

- Fully implemented Advanced Energy Conservation Code Program grant for 2011, including the adopted and facilitation of the 2009 International Energy Code inclusive of plan review, inspection and documentation.
- Implemented full score sheet and benchmarks for RockStat.
- Integrated cross training of inspectors to allow for greater efficiency and satisfy benchmarks of 2011 Rockstat Score sheet.
- Facilitated training seminar with ICC for Mechanical contractor, design professionals and general contractors related to the 2009 International Mechanical Code with local amendments and 2009 Energy Code.
- Implemented customer survey for Division.
- Completed City-wide Zoning Map update.

### **2012 Goals and Objectives** →

- Continue to streamline development process by facilitating one stop permitting.
- Facilitate development activities through positive customer service.
- Conduct process improvement meetings with a focus on the mechanical, electrical, and plumbing trades.
- Ongoing implementation and reporting of the Energy Grant/ Job Retention program from Energy Efficient Community Block Grant.

# Construction & Development Services Division

## Budget Summary

<b>CONSTRUCTION &amp; DEVELOPMENT SERVICES DIVISION BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$1,472,954	\$1,327,578	\$1,189,726	\$1,361,472	\$33,894
CONTRACTUAL	274,628	254,390	252,332	318,105	63,715
SUPPLIES	6,531	5,730	7,722	5,730	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$1,754,113</u>	<u>\$1,587,698</u>	<u>\$1,449,780</u>	<u>\$1,685,307</u>	<u>\$97,609</u>
<b>STAFFING REVIEW</b>					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
	25.00	18.00	15.00	15.00	0.00
<b>FUNDING SOURCE</b>					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES-FRINGE					
BENEFIT REIMBURSEMENTS		<u>\$207,996</u>	<u>13.1</u>	<u>\$219,004</u>	<u>13.0</u>
FEEES					
BUILDING		653,800	41.2	654,400	38.8
ELECTRICAL		50,000	3.1	50,000	3.0
PLUMBING/HEATING		150,000	9.4	150,000	8.9
ALL OTHER		<u>168,400</u>	<u>10.6</u>	<u>240,800</u>	<u>14.3</u>
TOTAL FEES		<u>1,022,200</u>	<u>64.3</u>	<u>1,095,200</u>	<u>65.0</u>
GENERAL REVENUES		<u>357,502</u>	<u>22.6</u>	<u>371,103</u>	<u>22.0</u>
TOTAL		<u>\$1,587,698</u>	<u>100.0</u>	<u>\$1,685,307</u>	<u>100.0</u>

## Budget Analysis

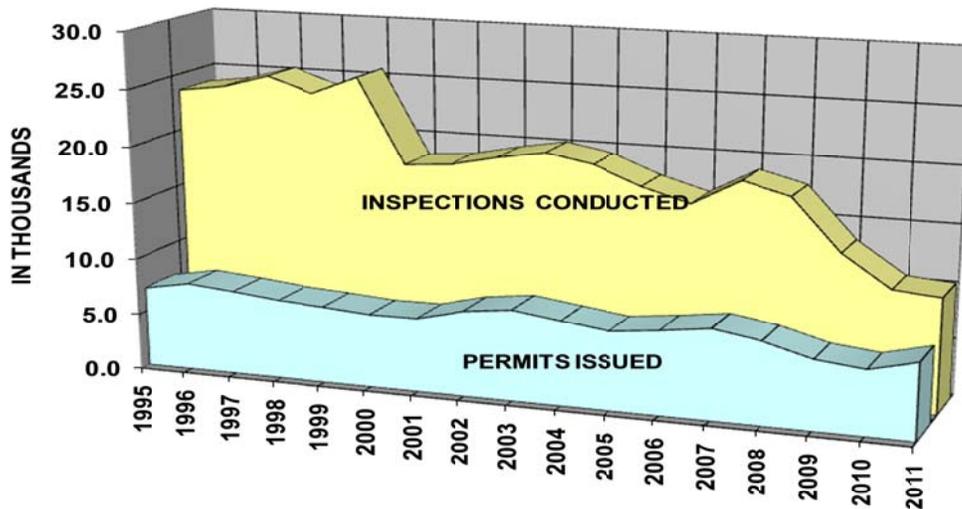
The 2012 budget of \$1,685,307 reflects an increase of \$97,609. Personnel expenses increased \$33,900 due to staff changes (\$10,230) and increases in IMRF (\$5,765), worker's compensation (\$5,240), and health insurance (\$10,300) rates.

Contractual costs increased \$63,715 due to adjustments in internal service charges to the division. The supply budget remains unchanged.

2011 fee revenue, budgeted at \$1,022,200, was \$1,602,876 for 2011. 2012 fee income is based on 2011 actual less unusual permits. Revenue is estimated to be \$1,095,200, an increase of \$73,000 (budget/budget basis).

# Construction & Development Services Division

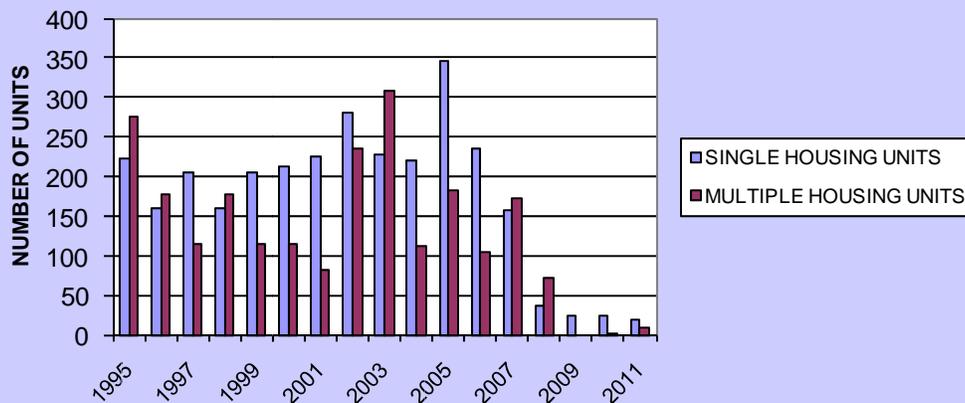
## CITY OF ROCKFORD, ILLINOIS BUILDING PERMITS AND INSPECTIONS YEARS FROM 1995-2011



SOURCE: CONSTRUCTION & DEVELOPMENT SERVICES DIVISION

During the past seventeen years, total permits issued by the Construction & Development Services Division have been relatively flat. Permits issued in 1994 were 7,090 while 2011 was 7,058.

## CITY OF ROCKFORD HISTORY OF HOUSING CONSTRUCTION ACTIVITY-UNITS YEARS FROM 1995-2011



Housing construction for single and multifamily units in 2010 was 24 and 2 for a total of 26. 2011 had similar levels of activity, with 20 single family units and 8 multifamily.

# Construction & Development Services Division

In 2011, the Construction and Development Services Division spent \$1,449,780 or 91.3% of its budgeted allocation. In the past several years, 89% to 125% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for 2012.

## Personnel Review

<b>CONSTRUCTION &amp; DEVELOPMENT SERVICES DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	<b>(DECREASE)</b>
PERMANENT		\$865,594	\$875,824	\$10,230
TEMPORARY		0	0	0
OVERTIME		4,500	4,500	0
MERIT PAY		0	0	0
TRANSLATOR PAY		0	0	0
SALARY CERTIFICATION		7,410	9,230	1,820
SALARY ADJUSTMENT		0	0	0
ZONING BOARD OF APPEALS		<u>2,100</u>	<u>2,100</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$879,604</u></b>	<b><u>\$891,654</u></b>	<b><u>\$12,050</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$179,967	\$185,732	\$5,765
UNEMPLOYMENT TAX		2,700	2,700	0
WORKMEN'S COMPENSATION		25,329	30,572	5,243
HEALTH INSURANCE		231,608	241,904	10,296
LIFE INSURANCE		1,170	1,170	0
PARKING BENEFITS		<u>7,200</u>	<u>7,740</u>	<u>540</u>
<b>TOTAL BENEFITS</b>		<b><u>\$447,974</u></b>	<b><u>\$469,818</u></b>	<b><u>\$21,844</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$1,327,578</u></b>	<b><u>\$1,361,472</u></b>	<b><u>\$33,894</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	<b>(DECREASE)</b>
DEPUTY DIRECTOR - CONST SERVICES	E-13	1.00	1.00	0.00
MANAGER BUILDING CODE SECTION	E-10	1.00	1.00	0.00
BUILDING PLANS EXAMINER	E-9	0.00	0.00	0.00
PLANNER II	E-8	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT	E-5	1.00	1.00	0.00
SENIOR INSPECTION OFFICER	CD-28	3.00	3.00	0.00
INSPECTION OFFICER	CD-26	4.00	4.00	0.00
LAND USE PLANNER	CD-16	2.00	2.00	0.00
SENIOR CLERK	A-19	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>15.00</u></b>	<b><u>15.00</u></b>	<b><u>0.00</u></b>

# Construction & Development Services Division

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Total Acres Annexed	37	3	1,460	40
Assessed Valuation in Annexed Areas	\$125,000	\$97,879	\$482,942	\$130,000
Dwelling Units in Annexed Areas	6	3	7	20
Zoning Applications/Liquor Apps	76	48	54/38	50/40
Zoning Clearances	1,730	1,729	2,294	2,000
Residential Permits	1,581	2,160	4,011	3,100
Commercial Permits	339	315	392	380
Demolitions	125	127	142	100
Plan reviews	472	448	400	420
Total inspections	10,485	10,157	11,446	11,500
Average inspections per day	42	40	45	45
Projects over \$1 million/total value	16/\$50M	15/\$34M	14/\$32M	15/\$35M

# **Community Development Business Group**

## **Mission Statement**

It is the mission of the Community Development Business Group to formulate and implement programs designed to improve the quality of the City's neighborhoods, to create and retain jobs, and to expand and protect the tax base.

**Primary Functions** → The services provided in this Division are organized around four different areas of focus:

- **CDBG Administration** → Staff perform day to day activities, including planning, formulating applications, reviewing performance, accounting, acquiring land, and conducting environmental assessments. In addition, staff provides assistance to various groups including the Citizen Participation Committee, the Historical Preservation Commission, the Homestead Board, and non-profit development corporations.
- **Economic Development** → Provide technical and financial assistance to the City's industrial and commercial businesses.
- **Neighborhood Development** → Administer all City housing rehabilitation and new construction programs, including housing acquisitions, demolitions, homeless programs, and community assistance program projects and coordinate the efforts of others to bring about economic, physical, and social improvements in selected neighborhoods.
- **Home Program** → Annual Federal housing grant program designed to fund operating and project expenses for Community Housing Development Organizations (CHDO) that rehabilitate housing, offer homesteading opportunities for low-income homebuyers either through new construction or rehabilitation of residential properties, and fund housing rehabilitation for existing low-income homeowners.

## **2011 Accomplishments** →

- Administered the Healthy Neighborhoods program and other renewed or new public service projects.
- Continued existing rehabilitation programs for focus area residents, the physically disabled and elderly. Applied for a grant through the Bank's Affordable Housing Program which, if awarded, will help serve 30 households in 2012.
- Code Enforcement provided needed services to the CDBG area. A number of sweeps were completed: Broadway business district, Underwood full enforcement, 9<sup>th</sup> Ward, and Kishwaukee Weed and Seed.

## **Community Development Business Group**

- Homebuyer assistance was provided to income eligible purchasers through a grant with the Rockford Area Affordable Housing Coalition and Neighborhood Housing Services of Freeport. The City will continue to provide technical assistance for this two (2) year grant.
- Continued to work towards the build out of the subdivision at Springfield Corners, Thatcher Blake Riverwalk, 21xx Reed Avenue, Lincolnwood II, Garrison Lofts/Townhomes sites and the sale of scattered site new construction projects.
- Planned, developed and administered programs according to CDBG and HOME Federal requirements.
- Sought proposals for Community Housing Development Organizations (CHDO) operating funds and awarded funds to two CHDOs. Monitored and completed awards from previous year.
- Monitored for-profit and non-profit new construction and rehabilitation activities.
- Continued partnerships with the Winnebago County Health Department and the Human Services Department in order to address lead based paint hazards and weatherize homes leveraging our federal funds.
- Demolished blighted properties.
- Continued to work with a developer to secure project financing for Church School.
- Continued partnerships with Northwestern IL Area Agency on Aging and Regional Access Mobilization Program and began the administration of the IHDA's Home Modification Program.
- Continued to lend our support to outside activities such as the Money Smart Week Campaign and committees associated with the Rockford Area Affordable Housing Coalition and Rockford Area Association of Realtors.
- Continued to administer and report on the accomplishments of the CDBG-R grant and the Neighborhood Stabilization Program1 grant which were granted under the American Recovery and Reinvestment Act of 2009 and HERA of 2008. Began the demolition of Barber Colman Buildings 10 & 19 with CDBG-R funds.
- Completed the 2012 Annual Plan and the Community Annual Performance and Evaluation Report (CAPER) for 2010.

### **2012 Goals and Objectives →**

- Administer the Healthy Neighborhoods program and other renewed or new public service and public facilities and improvements projects representing three projects. Additionally, Discovery Center will continue its 21st Century After School Program and the Rockford Area Affordable Housing Coalition will provide pre- and post-purchase counseling services.

## **Community Development Business Group**

- Continue existing housing rehab and new construction programs with a focus on main thoroughfares and expanded area programs assisting 124 units.
- Code Enforcement will continue to provide needed services to CDBG areas.
- Homebuyer assistance will be provided to purchasers within the Tax Incentive Program, IHDA Homebuyer Assistance Program as well as Community Housing Development Organizations and other City supported projects.
- Continue to facilitate the continued build out of the subdivision at Springfield Corners, Thatcher Blake Riverwalk, 21xx Reed Avenue, Garrison Lofts/Townhomes sites and the redevelopment of the Jackson School TIF.
- Plan, develop, and administer programs according to CDBG and HOME Federal requirements and monitor sub-recipient activity.
- Seek proposals for CHDO operating funds and monitor project completion. It is anticipated that three organizations will be assisted.
- Provide technical assistance to Freeport NHS and RAAHC in their successful administration of IHDA's Homebuyer Assistance Program.
- Continue partnerships with the Winnebago County Health Department and the Human Services Department in order to address lead based paint hazards and weatherize homes leveraging our federal funds when feasible and funding available.
- Administer the Federal Home Loan Banks Affordable Housing Program grant once awarded.
- Demolish 23 blighted properties.
- Begin the redevelopment of Church School, working with a developer.
- Continue to assist elderly and physically disabled persons through a home modification program; reapply for funds through IHDA if the IHDA Home Modification grant is funded again.
- Continue to lend our support to outside activities such as the Money Smart Week Campaign, Bootcamp, Rockford Area Affordable Housing Coalition, Rockford Area Association of Realtors, and other various committees throughout the community.
- Continue to administer and report on the accomplishments of the CDBG-R grant and Neighborhood Stabilization Program<sup>1</sup> grant under the American Recovery and Reinvestment Act of 2009 and HERA of 2008.

# **Community Development Business Group**

## **Economic Development**

The Economic Development Program, budgeted at \$535,897, is funded by the Community Development Block Grant. The whole amount is allocated for program costs, with a transfer for economic development staff, housed in the Planning Division, budgeted at \$117,300.

Economic Development funding includes the following:

- \$206,597 for the Rehab and Development Assistance program designed to help create development opportunity in the City of Rockford and future projects providing a wage above the threshold median hourly wage to numerous low/moderate income City residents. Also, the loan/grant will be used for projects that have the potential to fill a long-vacant building or site, preferably in one of the City's TIF districts, the City's State certified Enterprise Zone, or one of the previously described strategic areas.
- \$30,000 for the Self-Employment Training Program that will provide basic entrepreneurial training to low to moderate-income persons in conjunction with Rock Valley College's Small Business Development Center. Projected training is for 80 participants.

## **Neighborhood Development**

Housing programs, budgeted at \$2,989,243, are funded from three grant programs: the Community Development Block Grant, \$1,538,332; the Home Program, \$1,257,753; Emergency Shelter Grants, \$92,558; and program income, \$100,600.

Neighborhood Development funding includes the following:

- \$1,376,333 to assist existing owner occupants and new homebuyers. The funding will be used to make exterior improvements, interior health and safety code items and work needed to remove lead hazards. The City anticipates assisting approximately 74 low-income households once funds are leveraged with HOME funds.
- \$570,260 is to fund the code enforcement program, which will address approximately 3,400 self-initiated and neighborhood standards complaints.
- \$26,000 for the Lead Based Paint Hazard Reduction Program as a 10% match that will be provided to the Human Services Department to match a State of Illinois lead-based paint federal grant. The program is only made available to low-moderate income households. The City anticipates assisting 15 low-moderate income households.
- \$257,919 for continuation of the Demolition Program for demolishing abandoned, vacant, or boarded up properties primarily identified by the Focus Area Action Plan and deteriorated properties located near schools, on major thoroughfares, and strategically located scattered sites. The City anticipates the demolition of 23 units/structures.
- \$25,000 for the Rockford Area Affordable Housing Coalition for pre-purchase counseling to all participating buyers. Also included is information on employment, repairing credit, savings methods, and the overall home buying process.
- \$50,000 to the Discovery Center for an after school program.
- \$55,000 in funds will be awarded to neighborhood groups and/or other non-profits to do special projects that serve lower-income individuals/neighborhoods. Projected activity is three units.

# Community Development Business Group

- \$15,000 for the Ramp Program to build ramps for low-income persons with mobility disabilities. Projected activity is 12 units to be administered by the Rockford Area Mobilization Project.
- \$36,500 is to be used by CHDO's for operating expenses. Funding level is for two CHDO's.
- \$92,558 is for the Emergency Shelter Grant program, administered by the Human Services Department.

In addition, \$477,192 is budgeted for Block Grant general administrative costs, which includes \$74,313 for Section 108 debt payment if necessary. Funding is from Block Grant, \$363,990, the Home Program \$90,302, NSP funds, \$74,313, and program income, \$22,900.

## Budget Analysis

CD DEVELOPMENT DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$523,840	\$685,617	\$603,556	\$691,707	\$6,090
CONTRACTUAL	448,358	311,992	702,751	333,896	21,904
SUPPLIES	5,973	9,150	2,707	5,050	(4,100)
OTHER	3,609,705	3,536,792	2,989,112	3,001,227	(535,565)
CAPITAL	0	0	0	0	0
TOTAL	<u>\$4,587,876</u>	<u>\$4,543,551</u>	<u>\$4,298,126</u>	<u>\$4,031,880</u>	<u>(\$511,671)</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
	7.50	7.00	8.00	8.00	0.00

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
CURRENT FUNDS				
COMMUNITY DEVELOPMENT GRANT	\$2,355,780	52.6	\$1,997,830	50.3
HOME PROGRAM	1,015,047	22.7	903,029	22.7
OTHER FEDERAL/STATE	92,065	2.1	92,558	2.3
PROGRAM INCOME	<u>122,000</u>	<u>2.7</u>	<u>123,500</u>	<u>3.1</u>
	3,584,892	80.1	3,116,917	78.4
REPROGRAMMED FUNDS-PRIOR YEARS				
COMMUNITY DEVELOPMENT GRANT	422,000	9.4	410,418	10.3
HOME PROGRAM	472,825	10.5	445,026	11.2
OTHER FEDERAL/STATE	0	0.0	0	0.1
	<u>894,825</u>	<u>19.9</u>	<u>855,444</u>	<u>21.6</u>
TOTAL	<u>\$4,479,717</u>	<u>100.0</u>	<u>\$3,972,361</u>	<u>100.0</u>

The 2012 budget is \$4,031,880, which is a decrease of \$511,671 a small increase in Administration (\$62,846), offset by decreases in Economic Development (\$136,395), Neighborhood Development (\$310,801), and Home (\$128,122).

Personnel costs increased \$6,090 (0.9%), due to increases in health insurance (\$8,034), and workman's compensation (\$1,197) offset by a decrease in salaries (\$4,160).

Non-program contractual expenses increased \$21,900 with adjustments in a number of accounts. Microcomputer charges increase \$13,450, risk management \$8,780, building rent \$4,280, and

# **Community Development Business Group**

vehicle repairs \$2,600 to reflect changes in activity levels. Travel decreases \$4,608 and audit \$3,650. Supply costs decrease \$4,100 to reflect actual expenses for office supplies.

Program income is \$107,000 for the Block Grant and \$16,500 for the HOME program.

Under Federal guidelines, grant years remain open until funds are expended. The Division estimates that at the end of 2011, a total of \$855,444 will be reprogrammed for 2012. These reprogrammed funds include \$410,418 in prior year Community Development Block Grant Funds, and \$445,026 in prior year Home Program funds.

In 2011, the Community Development Business Group spent \$4,298,126 or 94.6% of its budgeted allocation. In the past several years, spending has been between 81% and 134% of the budgeted amount.

## **Capital Equipment**

For 2012, the Division will not have any capital purchases.

## **Five Year Financial Forecast**

The 2013-2017 five-year forecast assumes that both Federal and local funding sources will stagnate and expenditures will not exceed revenue limits. It is further assumed that the Division will spend its annual budget. No assumptions are made for new programs.

### COMMUNITY DEVELOPMENT BLOCK GRANT FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$3,897	\$4,014	\$4,134	\$4,258	\$4,386
Expenditures	<u>3,897</u>	<u>4,014</u>	<u>4,134</u>	<u>4,258</u>	<u>4,386</u>
Excess(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

# Community Development Business Group

## Personnel Review

COMMUNITY DEVELOPMENT BLOCK GRANT DIVISION				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$431,880	\$427,720	(\$4,160)
<b>TOTAL SALARIES</b>		<b><u>\$431,880</u></b>	<b><u>\$427,720</u></b>	<b><u>(\$4,160)</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$88,363	\$89,094	\$731
UNEMPLOYMENT TAX		1,440	1,440	0
WORKMEN'S COMPENSATION		5,966	7,163	1,197
HEALTH INSURANCE		153,504	161,538	8,034
RETIREE HEALTH INSURANCE		0	0	0
LIFE INSURANCE		624	624	0
PARKING BENEFITS		3,840	4,128	288
<b>TOTAL BENEFITS</b>		<b><u>\$253,737</u></b>	<b><u>\$263,987</u></b>	<b><u>\$10,250</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$685,617</u></b>	<b><u>\$691,707</u></b>	<b><u>\$6,090</u></b>
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	
DEVELOPMENT PROGRAMS MANAGER	E-10	1.00	1.00	0.00
GRANTS COMPLIANCE SPECIALIST II	E-7	1.00	1.00	0.00
GRANTS COMPLIANCE SPECIALIST I	E-6	1.00	1.00	0.00
HOUSING REHAB SPECIALIST II	E-6	1.00	1.00	0.00
HOUSING REHAB SPECIALIST I	E-5	1.00	1.00	0.00
REHAB CONST SPECIALIST I	CD-15	2.00	2.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	1.00	1.00	0.00
<b>TOTAL PERSONNEL</b>		<b><u>8.00</u></b>	<b><u>8.00</u></b>	<b><u>0.00</u></b>

## Performance Measurements

Plans for 2012 forecast similar levels of activity. Selected activity levels for 2009-2012 are illustrated below.

	2009 <u>Actual</u>	2010 <u>Actual</u>	2011 <u>Actual</u>	2012 <u>Projected</u>
Housing rehabilitation	90	96	124	124
Homeless programs	4	4	5	5
New construction units	10	2	27	24
Demolitions	13	44	25	10
Public services/facilities, organizations	9	7	8	8
Acquisitions	4	5	2	2
Homebuyer Assistance	24	13	8	8
Tax incentive program	0	0	3	3

# Redevelopment Fund

## Mission Statement

It is the mission of the Community Development Redevelopment Fund to finance Metro Center Authority operating deficits, provide funds for redevelopment of the central city, and generate economic development.

**Primary Functions** → The fund is financed by a one-percent tax adopted in 1978 for a period of 20 years on motel and room charges, restaurant, lounge charges for food and liquor, and package liquor sales. This was renewed for additional ten-year periods in 1990, 1999, and 2007 with the tax to end in 2028. In addition to financing a portion of the Metro Center Authority's deficits, the Fund provides the necessary capital for development opportunities, public improvements, and economic development efforts.

### 2011 Accomplishments

- The Redevelopment Fund financed the Metro Center Authority operating deficits, provided funds for redevelopment activities, and assisted in financing economic development efforts.

### 2012 Goals and Objectives

- The Redevelopment Fund will finance the Metro Center Authority operating deficits, provide funds for redevelopment activities, and assist in financing economic development efforts.

### Budget Summary

COMMUNITY DEVELOPMENT REDEVELOPMENT FUND					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$3,230	\$6,000	\$3,936	\$850	(\$5,150)
OTHER	3,031,884	3,153,956	3,208,333	3,139,943	(14,013)
TOTAL	<u>\$3,035,114</u>	<u>\$3,159,956</u>	<u>\$3,212,269</u>	<u>\$3,140,793</u>	<u>(\$19,163)</u>
FUNDING SOURCE	2011		2012		
REDEVELOPMENT SALES TAX	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
MOTEL	\$311,300	8.6	\$311,300	8.5	
PACKAGE	512,800	14.2	525,200	14.4	
RESTAURANT	2,777,900	77.2	2,815,000	77.1	
SUBTOTAL	<u>3,602,000</u>	<u>100.0</u>	<u>3,651,500</u>	<u>100.0</u>	
INTEREST INCOME	0	0.0	0	0.0	
TOTAL	<u>\$3,602,000</u>	<u>100.0</u>	<u>\$3,651,500</u>	<u>100.0</u>	

# **Redevelopment Fund**

## **Redevelopment Fund Expenses**

Expenses can be broken down into three groups as follows:

- Metro Center subsidy - \$450,000
- Debt service – \$1,462,773
- All other expenses – \$1,228,020

## **Metro Center Subsidy**

- Total 2012 City commitment is \$1,077,040 with \$450,000 from the Redevelopment Fund and \$627,040 from the Tourism Promotion Fund. In 2011 the agreement with the Rockford Area Convention and Visitors Bureau (RACVB) was amended to reflect a guaranteed 3% and 1% challenge grant which for 2012 is \$943,260 and \$314,420 respectively. Metro Center subsidy contribution gets 1% plus unused portion of challenge grant.

## **Debt Service**

- \$214,318 for debt service (2000 \$4.0 million and 2004 \$3.07 million refunding bond issue) for funding improvements associated with the construction of a 33,000 square foot supermarket in the South Rockford Tax Increment Finance District. The initial phase included property acquisition, demolition of existing structures, site work on ten acres, construction, equipment, and tenant improvements. Debt service from 2007 to 2019 will range from \$336,018 to \$380,513 (Redevelopment share \$147,068 to \$225,518, with the balance paid from South Rockford TIF).
- \$800,812 for debt service on the Coronado. In 1999, the City issued \$7,000,000 in bonds for the Coronado Theatre restoration. City financing sources included the Tourism (1999-2003) and Redevelopment Funds as well as amusement and parking taxes at the Coronado Theatre. The Redevelopment Fund will pay the balance of the debt service due after the application of the two taxes. Debt service from 2007 to 2017 will range from \$545,075 to \$988,880.
- \$5,775 net (2012 debt service \$1,840,768) for debt service on the Metro Center. In 2007, the City issued \$23 million in bonds for remodeling the Metro Center and acquiring an AHL franchise. Financing for debt repayment includes assistance from Winnebago County (\$460,000), the Redevelopment Fund (\$5,775), and the 2009 \$8.065 Metro Center taxable refunding issue (\$1,374,993).
- \$441,868 for debt service on the 2009 \$8.065 Metro Center taxable refunding issue. Designed to abate 2009 – 2014 debt service for the 2007 issue, debt service from 2009 through 2026, funded from the Redevelopment Fund, will range from \$441,868 to \$1,229,868.

## **All Other Expenses**

- \$100,000 is provided to RACVB. The County and the City levy a tax on motel accommodations, three percent by the County and six percent by the City. The County passes the entire amount to the Bureau while the City keeps one percent for redevelopment efforts. The remaining five percent is sent to the Bureau. With the annexation of four motels into the City in 1988, the City agreed to transfer the other one percent (for these four motels only) from the Redevelopment Fund to the Bureau.

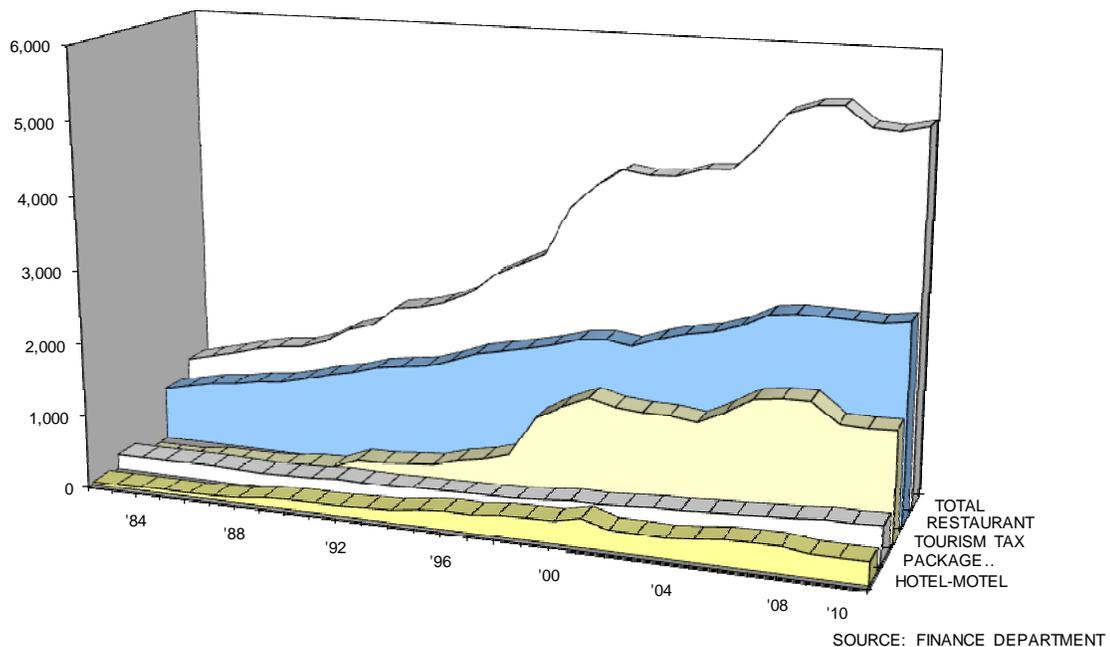
## Redevelopment Fund

- \$200,000 to the Rockford Area Economic Development Council (RAEDC) to continue economic development efforts and industrial park marketing.
- \$150,000 for Coronado Performing Arts Center's annual assistance (2008-2013).
- \$23,500 will be reimbursed to the Public Works Water Division for the Millennium Fountain maintenance.
- \$601,150 is transferred to the Public Works Property Division for staff services and other building related expenses for the Coronado Theater (\$373,700), Festival Park (\$58,450), the Armory (\$30,350), Barber Colman (\$63,450), and Ingersoll (\$130,130).
- \$850 is budgeted for contractual expenses.
- \$107,200 is for tax collection cost reimbursement.
- \$45,320 is for interest expense.

### **Budget Analysis**

2010 tax revenue, budgeted at \$3,495,200, was \$3,529,086 at year's end, a gain of \$33,886 (1.1%) from the budget. Tax revenue for 2011, budgeted at \$3,602,000, was \$3,611,194, a gain of \$9,194 (0.3%), an increase of \$115,994 (3.3%) from the 2010 budget of \$3,495,200 and an increase of \$82,108 (2.3%) from 2010's actual.

**CITY OF ROCKFORD, ILLINOIS REDEVELOPMENT/TOURISM SOURCES OF REVENUE 1982-2011**



Assumptions for revenue growth are 1% for motels (8.7%), 3% for package liquor (14.4%), and 2% for restaurants (76.9%) for a total of 2.1%. Growth in the last five years has ranged as follows: motels, -14.1% to 2.8%, package liquor, -0.4% to 7.1%, restaurants, -0.3% to 2.0%, and the three combined, -0.6% to 2.2%. 2012 income is estimated to be \$3,651,500, an increase of \$156,300 (4.5%) from the 2011 budget and an increase of \$40,306 (1.1%) from the 2011 actual.

# Redevelopment Fund

The restructuring of the 2007 taxable debt as well as the elimination of \$50,000 in expense, the deferral of \$150,000 in expense, and the payment of \$1,079,764 of debt service from other funds was a significant restructuring for this fund for 2009. 2010 included the elimination of \$695,900 in previous expense.

In 2011, the Redevelopment Fund spent \$3,212,269 or 101.7% of the budgeted allocation. In the past several years, 89% to 131% of the budget has been spent.

## **Five Year Financial Forecast**

The 2013-2017 five-year forecast assumes growth in taxes – one percent for motels, three percent for packaged liquor, and two percent for restaurants – reflecting the past history and the slowing economy. The refinancing and the structural changes made in 2009 should insure the long term viability of this fund.

### REDEVELOPMENT FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$3,727	\$3,829	\$3,915	\$4,003	\$4,110
Expenses	<u>2,222</u>	<u>3,552</u>	<u>3,579</u>	<u>2,989</u>	<u>4,581</u>
Excess (Deficit)	<u>1,505</u>	<u>277</u>	<u>336</u>	<u>1,014</u>	<u>(471)</u>
Beginning Balance	<u>(474)</u>	<u>1,031</u>	<u>1,308</u>	<u>1,644</u>	<u>2,658</u>
Ending Balance	<u>\$1,031</u>	<u>\$1,308</u>	<u>\$1,644</u>	<u>\$2,658</u>	<u>\$2,187</u>

# **Community Development Tourism Promotion Fund**

## **Mission Statement**

It is the mission of the Community Development Tourism Promotion Fund to finance tourism promotion for the City.

**Primary Functions** → The primary function of the Tourism Promotion Fund is to provide funding to the Rockford Area Convention & Visitor's Bureau. The City currently has a five-percent tax on motel and hotel room receipts. This tax, along with a similar one enacted by Winnebago County, is used to fund the Rockford Area Convention & Visitor's Bureau with which the City has a contract for tourism promotion efforts.

## **2011 Accomplishments** →

- The Bureau continues to collaborate with important Rockford attractions, events, hotels and restaurants to attract visitors.
- The sales team secured bookings for meetings, tournaments and events that took place at Rockford hotels and facilities. These bookings filled hotel rooms resulting in additional spending in the region.
- Rockin' Summer and Winter Rocks leisure marketing campaigns, which RACVB is a partner, have continued to drive awareness of Rockford's tourism and quality of life assets among local residents and potential visitors.

## **2012 Goals and Objectives** →

- Increase non-local visitation to top sites and attractions.
- Increase RACVB influenced group sales bookings (number of meetings, conventions, and tournaments).
- Increase RACVB influenced off-season (October-April) business room night (actual rooms sold at hotels).

# Community Development Tourism Promotion Fund

## Budget Summary

<b>COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND</b>						
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)	
TRANSFER TO RACVB	\$1,054,449	\$837,300	\$1,185,747	\$943,260	\$105,960	
RAVE SUBSIDY	\$350,000	600,000	450,000	627,040	27,040	
PURCHASE OF SERVICES	<u>119,200</u>	<u>119,200</u>	<u>1,800</u>	<u>1,800</u>	<u>(117,400)</u>	
TOTAL	<u>\$1,523,649</u>	<u>\$1,556,500</u>	<u>\$1,637,547</u>	<u>\$1,572,100</u>	<u>\$15,600</u>	
<hr/>						
<b>FUNDING SOURCE</b>			2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
TOURISM PROMOTION SALES TAX			<u>\$1,556,500</u>	<u>100.0</u>	<u>\$1,572,100</u>	<u>100.0</u>
TOTAL			<u>\$1,556,500</u>	<u>100.0</u>	<u>\$1,572,100</u>	<u>100.0</u>

## Budget Analysis

Tax revenue for 2011, budgeted at \$1,556,500, was \$1,637,547, an increase of \$81,047 (5.2%), an increase of \$115,047 (7.6%) from the 2010 budget of \$1,522,500 and an increase of \$463,898 from 2010's actual. 2012 income is estimated to be \$1,572,100, an increase of \$15,600 (1.1%) from the 2011 budget of \$1,522,500 and an increase of \$30,522 (2.0%) from the 2010 actual of \$1,523,649. Expenses in 2012 include \$1,800 for collection costs, \$627,040 to RAVE for the operating subsidy with a portion (\$314,420) dependent on a 1% challenge and the balance (\$943,260) to the Rockford Area Convention and Visitor's Bureau for operating expenses.

In 2011, the Tourism Promotion Fund spent \$1,637,547 or 105.2% of its budgeted allocation. In the past several years, 81% to 125% of the budget has been spent.

## Five Year Financial Forecast

The 2013-2017 five year forecast assumes motel revenue growth at two percent annually and appropriation of all income to the Visitors Bureau except for City reimbursements.

TOURISM PROMOTION FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,588	\$1,604	\$1,620	\$1,636	\$1,636
Expenses	<u>1,588</u>	<u>1,604</u>	<u>1,620</u>	<u>1,636</u>	<u>1,636</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>76</u>	<u>76</u>	<u>76</u>	<u>76</u>	<u>76</u>
Ending Balance	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>

# **Retail Tax Increment Financing Districts**

## **Mission Statement**

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

**Primary Functions** → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the TIF District in the City and to make the area more viable again. Such improvements (upon meeting qualifications) can be financed through TIF district revenues. Revenue for the districts is generated by the collection of property taxes each year at an increment based on the increase in assessed valuation of properties within the area since the districts are created. The excess tax revenue collected can only be used to fund projects located within the TIF District.

There are 17 Retail TIF Districts, East Side, East River, West Side #1 and #2, River North, South Rockford, Assisted Living, State and Kilburn, State and Central, Springfield Corners, North Main, Main and Auburn, Main and Whitman, Seventh Street, Midtown, Broadway, and State and Alpine.

## **2011 Accomplishments** →

- Initiated S Main Corridor Study.
- Continued implementation of Kishwaukee Corridor Study recommendations.
- Initiate expansion of River Edge Redevelopment Zone.
- Continued to coordinate Kishwaukee Corridor Empowerment Group.
- Continued coordination with Midtown Organization for 7<sup>th</sup> Street improvement plans.
- Continued coordination with Miracle Mile Organization for East State improvement plans.
- Continued coordination with River District Organization for downtown improvement plan.
- Continued coordination and monitoring of Self Employment Training Program.
- Continued coordination and monitoring of Construction Management Training Program.
- Continued administration of Enterprise Zone program incentives and quarterly reporting.
- Continued administration of River Edge Zone program incentives and quarterly reporting.
- Completed Annual Tax Increment Financing reporting.
- Completed monthly IL Department of Revenue Sales Tax Reporting.

## **Retail Tax Increment Financing Districts**

- Completed Economic Development portion of HUD Annual Report.
- Continued reporting of HUD Section 3 requirements.
- Requested bids for demolition of Tapco building.
- Submitted request for proposal for Amerock building.
- Completed and submitted Embry-Riddle Aeronautical University proposal for new resident campus.
- Completed negotiations and development agreement with Marketplace Rockford for new lease of 98,000 square feet to attract Valli Produce, creating 110 new jobs, and \$6 million investment.
- Worked with VA Outpatient Clinic to expand to new 32,100 square foot facility, creating 15 new jobs and retaining 63 jobs, and \$2 million investment.
- Worked with Springfield Electric to rehabilitate 40,900 square feet, retained 15 jobs and \$665,000 investment.
- Worked with Marketplace Rockford to complete negotiations and development agreement for re-lease of vacant 50,000 square foot to Old Time Pottery, retaining 40 jobs, and \$2 million investment.
- Worked with KISS, Downtown Shoe & Boutique, and Palace Shoe Repair to install new awnings, creating six new and retaining four existing jobs, and \$2,200 investment.

### **2012 Goals and Objectives →**

- Complete S Main Corridor Study.
- Complete expansion of River Edge Redevelopment Zone.
- Begin Construction of RockAero Park/Faith Center Church intersection/access road.
- Continue implementation of Kishwaukee Corridor Study recommendations.
- Continue to coordinate Kishwaukee Corridor Empowerment Group.
- Continued coordination with Midtown Organization for 7<sup>th</sup> Street improvement plans.
- Continued coordination with Miracle Mile Organization for East State improvement plans.
- Continued coordination with River District Organization for downtown improvement plan. +
- Continue coordination and monitoring of Self Employment Training Program.

# Retail Tax Increment Financing Districts

- Coordinate the creation of a CDBG Façade Rehabilitation Program.
- Continue administration of Enterprise Zone program incentives and quarterly reporting.
- Continue administration of River Edge Zone program incentives and quarterly reporting.
- Complete Annual Tax Increment Financing reporting.
- Complete monthly IL Department of Revenue Sales Tax Reporting.
- Complete Economic Development portion of HUD Annual Report.
- Continue reporting of HUD Section 3 requirements.
- Eliminate three sources of blight in commercial TIFs.
- Attract four new companies to commercial TIFs.
- Assist four existing companies to expand in commercial TIFs.
- Provide assistance to six existing companies in commercial TIFs.

## Budget Summary

<b>COMMUNITY DEVELOPMENT EAST SIDE TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$20,000	\$10,000	\$0	\$10,000	\$0
OTHER	<u>320,178</u>	<u>332,150</u>	<u>308,055</u>	<u>395,000</u>	<u>62,850</u>
TOTAL	<u>\$340,178</u>	<u>\$342,150</u>	<u>\$308,055</u>	<u>\$405,000</u>	<u>\$62,850</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$348,042	100.0	\$354,379	99.5
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>1,800</u>	<u>0.5</u>
TOTAL		<u>\$348,042</u>	<u>100.0</u>	<u>\$356,179</u>	<u>100.0</u>

# Retail Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT ASSISTED LIVING TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$40	0.0	\$59	0.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$40</u>	<u>0.0</u>	<u>\$59</u>	<u>0.0</u>

<b>COMMUNITY DEVELOPMENT EAST RIVER TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>267,605</u>	<u>493,863</u>	<u>491,941</u>	<u>177,689</u>	<u>(316,174)</u>
TOTAL	<u>\$267,605</u>	<u>\$493,863</u>	<u>\$491,941</u>	<u>\$177,689</u>	<u>(\$316,174)</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$66,613	0.0	\$272,674	0.0
INTEREST INCOME		<u>1,687</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$68,300</u>	<u>0.0</u>	<u>\$272,674</u>	<u>0.0</u>

<b>COMMUNITY DEVELOPMENT WEST SIDE TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>643,614</u>	<u>666,723</u>	<u>666,723</u>	<u>735,999</u>	<u>69,276</u>
TOTAL	<u>\$643,614</u>	<u>\$666,723</u>	<u>\$666,723</u>	<u>\$735,999</u>	<u>\$69,276</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$651,515	100.0	723,970	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$651,515</u>	<u>100.0</u>	<u>\$723,970</u>	<u>100.0</u>

# Retail Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT WEST SIDE 2 TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$19	\$0	\$0
OTHER	<u>0</u>	<u>355</u>	<u>0</u>	<u>0</u>	<u>(355)</u>
TOTAL	<u>\$0</u>	<u>\$355</u>	<u>\$19</u>	<u>\$0</u>	<u>(\$355)</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$10,000	0.0	\$8,930	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$10,000</u>	<u>0.0</u>	<u>\$8,930</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT RIVER NORTH TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>270,989</u>	<u>133,324</u>	<u>26,786</u>	<u>26,296</u>	<u>(107,028)</u>
TOTAL	<u>\$270,989</u>	<u>\$133,324</u>	<u>\$26,786</u>	<u>\$26,296</u>	<u>(\$107,028)</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$100,976	100.0	\$85,289	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>3</u>	<u>0.0</u>
TOTAL	<u>\$100,976</u>	<u>100.0</u>	<u>\$85,292</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT SOUTH ROCKFORD TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$965	\$0	\$0
OTHER	<u>173,037</u>	<u>175,494</u>	<u>173,900</u>	<u>400,167</u>	<u>224,673</u>
TOTAL	<u>\$173,037</u>	<u>\$175,494</u>	<u>\$174,865</u>	<u>\$400,167</u>	<u>\$224,673</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$126,948	99.9	\$134,633	100.0
INTEREST INCOME	<u>100</u>	<u>0.1</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$127,048</u>	<u>100.0</u>	<u>\$134,633</u>	<u>100.0</u>

# Retail Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT STATE KILBURN TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$23,300	100.0	\$17,200	97.8
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>380</u>	<u>2.2</u>
TOTAL	<u>\$23,300</u>	<u>100.0</u>	<u>\$17,580</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT STATE CENTRAL TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>250,000</u>	<u>250,746</u>	<u>251,262</u>	<u>202,072</u>	<u>(48,674)</u>
TOTAL	<u>\$250,000</u>	<u>\$250,746</u>	<u>\$251,262</u>	<u>\$202,072</u>	<u>(\$48,674)</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$250,700	100.0	\$221,200	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$250,700</u>	<u>100.0</u>	<u>\$221,200</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT SPRINGFIELD CORNERS TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$1,532,705	\$310,632	\$310,631	\$438,158	\$127,526
TOTAL	<u>\$1,532,705</u>	<u>\$310,632</u>	<u>\$310,631</u>	<u>\$438,158</u>	<u>\$127,526</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$390,341	100.0	\$374,386	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$390,341</u>	<u>100.0</u>	<u>\$374,386</u>	<u>100.0</u>

# Retail Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT NORTH MAIN STREET TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>68,963</u>	<u>176,920</u>	<u>176,920</u>	<u>174,715</u>	<u>(2,205)</u>
TOTAL	<u>\$68,963</u>	<u>\$176,920</u>	<u>\$176,920</u>	<u>\$174,715</u>	<u>(\$2,205)</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$86,232	100.0	\$96,032	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$86,232</u>	<u>100.0</u>	<u>\$96,032</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT MAIN AUBURN TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>	<u>0</u>
TOTAL	<u>\$0</u>	<u>\$10,000</u>	<u>\$0</u>	<u>\$10,000</u>	<u>\$0</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$20,000	0.0	\$19,670	94.7
INTEREST INCOME	<u>1,000</u>	<u>0.0</u>	<u>1,108</u>	<u>5.3</u>
TOTAL	<u>\$21,000</u>	<u>0.0</u>	<u>\$20,778</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT MAIN WHITMAN TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>101,386</u>	<u>105,151</u>	<u>105,151</u>	<u>104,799</u>	<u>(352)</u>
TOTAL	<u>\$101,386</u>	<u>\$105,151</u>	<u>\$105,151</u>	<u>\$104,799</u>	<u>(\$352)</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$77,900	100.0	\$42,279	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$77,900</u>	<u>100.0</u>	<u>\$42,279</u>	<u>100.0</u>

# Retail Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT SEVENTH STREET TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$425	\$10,300	\$0	\$10,300	\$0
OTHER	<u>1,598,921</u>	<u>1,144,120</u>	<u>1,158,776</u>	<u>1,038,128</u>	<u>(105,992)</u>
TOTAL	<u>\$1,599,346</u>	<u>\$1,154,420</u>	<u>\$1,158,776</u>	<u>\$1,048,428</u>	<u>(\$105,992)</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$1,056,661	99.3	\$995,955	100.0
INTEREST INCOME		<u>7,000</u>	<u>0.7</u>	<u>100</u>	<u>0.0</u>
TOTAL		<u>\$1,063,661</u>	<u>100.0</u>	<u>\$996,055</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT MIDTOWN TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>165,000</u>	<u>31,127</u>	<u>1,127</u>	<u>22</u>	<u>(31,105)</u>
TOTAL	<u>\$165,000</u>	<u>\$31,127</u>	<u>\$1,127</u>	<u>\$22</u>	<u>(\$31,105)</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$65,860	100.0	\$46,620	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$65,860</u>	<u>100.0</u>	<u>\$46,620</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT BROADWAY TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>2,100</u>	<u>990</u>	<u>0</u>	<u>(2,100)</u>
TOTAL	<u>\$0</u>	<u>\$2,100</u>	<u>\$990</u>	<u>\$0</u>	<u>(\$2,100)</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$52,884	100.0	\$43,463	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>21</u>	<u>0.0</u>
TOTAL		<u>\$52,884</u>	<u>100.0</u>	<u>\$43,484</u>	<u>100.0</u>

# Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT STATE ALPINE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$12,000	\$0	\$0	(\$12,000)
OTHER	300,000	310,429	170,000	285,429	(25,000)
TOTAL	<u>\$300,000</u>	<u>\$322,429</u>	<u>\$170,000</u>	<u>\$285,429</u>	<u>(\$37,000)</u>
FUNDING SOURCE	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$265,200	0.0	\$245,600	97.6	
INTEREST INCOME	3,000	0.0	5,912	2.4	
TOTAL	<u>\$268,200</u>	<u>0.0</u>	<u>\$251,512</u>	<u>100.0</u>	

## Budget Analysis

This 17 district group collectively runs a deficit until 2012, turns positive, and then again runs a deficit from 2018 through 2027. The deficit generators are North Main, a high deficit year (2022) of \$1,190,000 and an estimated ending deficit of \$546,700 in 2026, and Main Whitman, a high deficit year of \$717,950 (2028) and an estimated ending deficit of \$397,300 in 2031.

It is difficult to estimate revenue growth which is property tax increment, generated by new construction and projects as well as inflationary growth of existing equalized assessed valuation, for several decades. These projections are based upon the most conservative assumptions possible.

Deficit reduction action was taken in two areas for 2009. For the near downtown area, adjustments were made among the Seventh Street, East River, South Rockford, East Side, and West Side #1 districts. In addition, \$300,000 was transferred from the State and Central district to Springfield Corners. An additional \$4.0 million will need to be transferred from 2011 through 2016 for Seventh Street and East River.

No long term financing is planned for 2012.

## Five Year Financial Forecasts

The 2013-2017 five-year forecasts assume no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. An ending balance schedule for all TIF districts for all years is also included.

# Retail Tax Increment Financing Districts

## EAST SIDE TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$359	\$362	\$365	\$1,069	\$0
Expenditures	<u>405</u>	<u>406</u>	<u>407</u>	<u>962</u>	<u>0</u>
Excess (Deficit)	(46)	(44)	(41)	107	0
Beginning Balance	25	(21)	(65)	(107)	0
Ending Balance	<u>(\$21)</u>	<u>(\$65)</u>	<u>(\$107)</u>	<u>\$0</u>	<u>\$0</u>

## ASSISTED LIVING TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

## EAST RIVER TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$274	\$277	\$980	\$1,332	\$135
Expenditures	<u>177</u>	<u>176</u>	<u>925</u>	<u>1,273</u>	<u>122</u>
Excess (Deficit)	97	101	55	59	13
Beginning Balance	(13)	83	184	240	299
Ending Balance	<u>\$84</u>	<u>\$184</u>	<u>\$239</u>	<u>\$299</u>	<u>\$312</u>

## WEST SIDE TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$724	\$728	\$732	\$1,286	\$0
Expenditures	<u>736</u>	<u>737</u>	<u>739</u>	<u>1,357</u>	<u>0</u>
Excess (Deficit)	(12)	(9)	(7)	(71)	0
Beginning Balance	99	87	78	71	(0)
Ending Balance	<u>\$87</u>	<u>\$78</u>	<u>\$71</u>	<u>(\$0)</u>	<u>(\$0)</u>

## WEST SIDE 2 TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$9	\$10	\$10	\$10	\$10
Expenditures	<u>0</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Excess (Deficit)	9	0	0	0	0
Beginning Balance	10	19	19	19	18
Ending Balance	<u>\$19</u>	<u>\$19</u>	<u>\$19</u>	<u>\$19</u>	<u>\$18</u>

## RIVER NORTH TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$88	\$89	\$90	\$91	\$92
Expenditures	<u>76</u>	<u>75</u>	<u>80</u>	<u>79</u>	<u>79</u>
Excess (Deficit)	12	14	10	12	13
Beginning Balance	59	71	84	94	106
Ending Balance	<u>\$71</u>	<u>\$85</u>	<u>\$94</u>	<u>\$106</u>	<u>\$119</u>

# Retail Tax Increment Financing Districts

## SOUTH ROCKFORD TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$236	\$237	\$989	\$642	\$149
Expenditures	400	399	407	397	400
Excess (Deficit)	(164)	(161)	582	244	(251)
Beginning Balance	(192)	(356)	(517)	65	309
Ending Balance	(\$356)	(\$517)	\$65	\$309	\$58

## STATE KILBURN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$18	\$19	\$20	\$20	\$20
Expenditures	0	0	0	25	25
Excess (Deficit)	18	19	20	(5)	(5)
Beginning Balance	33	51	70	89	85
Ending Balance	\$51	\$70	\$90	\$84	\$80

## STATE CENTRAL TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$223	\$226	\$228	\$230	\$234
Expenditures	202	201	200	200	200
Excess (Deficit)	21	25	28	30	34
Beginning Balance	(64)	(42)	(17)	10	41
Ending Balance	(\$43)	(\$17)	\$11	\$40	\$75

## SPRINGFIELD CORNERS TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$176	\$178	\$180	\$181	\$183
Expenditures	459	460	484	483	481
Excess (Deficit)	(283)	(282)	(304)	(302)	(298)
Beginning Balance	(128)	(411)	(693)	(998)	(1,300)
Ending Balance	(\$411)	(\$693)	(\$997)	(\$1,300)	(\$1,598)

## NORTH MAIN STREET TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$98	\$99	\$101	\$102	\$104
Expenditures	173	221	218	215	211
Excess (Deficit)	(75)	(121)	(117)	(112)	(107)
Beginning Balance	(469)	(544)	(665)	(782)	(895)
Ending Balance	(\$544)	(\$665)	(\$782)	(\$895)	(\$1,002)

## MAIN AUBURN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$21	\$21	\$22	\$22	\$22
Expenditures	20	20	20	25	25
Excess (Deficit)	1	1	2	(3)	(3)
Beginning Balance	55	56	58	60	56
Ending Balance	\$56	\$57	\$60	\$57	\$53

# Retail Tax Increment Financing Districts

## MAIN WHITMAN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$43	\$89	\$91	\$93	\$95
Expenditures	<u>105</u>	<u>104</u>	<u>123</u>	<u>121</u>	<u>118</u>
Excess (Deficit)	(62)	(15)	(32)	(28)	(23)
Beginning Balance	(345)	(407)	(422)	(454)	(482)
Ending Balance	<u>(\$407)</u>	<u>(\$422)</u>	<u>(\$454)</u>	<u>(\$482)</u>	<u>(\$505)</u>

## 7TH STREET TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,046	\$1,056	\$1,066	\$1,076	\$0
Expenditures	<u>1,048</u>	<u>1,045</u>	<u>1,169</u>	<u>1,279</u>	<u>7</u>
Excess (Deficit)	(2)	11	(103)	(203)	(7)
Beginning Balance	<u>5</u>	<u>3</u>	<u>14</u>	<u>(89)</u>	<u>(292)</u>
Ending Balance	<u>\$3</u>	<u>\$14</u>	<u>(\$89)</u>	<u>(\$292)</u>	<u>(\$299)</u>

## MIDTOWN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$48	\$50	\$50	\$51	\$51
Expenditures	<u>0</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
Excess (Deficit)	48	0	0	1	1
Beginning Balance	<u>46</u>	<u>94</u>	<u>94</u>	<u>94</u>	<u>95</u>
Ending Balance	<u>\$94</u>	<u>\$94</u>	<u>\$94</u>	<u>\$95</u>	<u>\$96</u>

## BROADWAY TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$45	\$47	\$47	\$47	\$48
Expenditures	<u>0</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
Excess (Deficit)	45	(3)	(3)	(3)	(2)
Beginning Balance	<u>44</u>	<u>89</u>	<u>86</u>	<u>83</u>	<u>80</u>
Ending Balance	<u>\$89</u>	<u>\$86</u>	<u>\$83</u>	<u>\$80</u>	<u>\$78</u>

## STATE ALPINE TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$253	\$255	\$257	\$259	\$262
Expenditures	<u>285</u>	<u>260</u>	<u>270</u>	<u>257</u>	<u>240</u>
Excess (Deficit)	(32)	(5)	(13)	2	22
Beginning Balance	<u>203</u>	<u>170</u>	<u>165</u>	<u>151</u>	<u>153</u>
Ending Balance	<u>\$171</u>	<u>\$165</u>	<u>\$152</u>	<u>\$153</u>	<u>\$175</u>

# **Industrial Tax Increment Financing Districts**

## **Mission Statement**

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

**Primary Functions** → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the TIF District.

There are six industrial TIF Districts, Kishwaukee-Harrison #1 and #2, Preston and Central, Rockford Global Trade Park #1, #2, #3.

## **2011 Accomplishments** →

- Initiated S Main Corridor Study.
- Continued implementation of Kishwaukee Corridor Study recommendations.
- Complete and submit Economic Development Plan application to IDOT for Falcon Road reconstruction on behalf of Anderson Packaging.
- Complete and submit Economic Development Plan application to IDOT for Seminary St and Blackhawk Park Ave Reconstruction on behalf of Gunit Corporation.
- Initiated annexation of Gensler and Wolfenberger properties.
- Initiated expansion of River Edge Redevelopment Zone.
- Continued to coordinate Kishwaukee Corridor Empowerment Group.
- Continued cooperative marketing plan for industrial TIFs with RAEDC.
- Continued evaluation of creating Global TradePark South Redevelopment Planning Area.
- Continued administration of Enterprise Zone program incentives and quarterly reporting.
- Continued administration of River Edge Zone program incentives and quarterly reporting.
- Completed Annual Tax Increment Financing reporting.
- Completed Economic Development portion of HUD annual report.

## **Industrial Tax Increment Financing Districts**

- Initiated redevelopment plan for Phoenix Investor's property at 4000 Auburn St.
- Demolished Lorden Bldg and old train depot on S. Main.
- Continued zoning compliance enforcement at 2501 Kishwaukee St., Northern IL Towing.
- Attracted software company, Lyons Consulting, creating 12 new jobs and \$250,000 investment.
- Completed and submitted Embry-Riddle Aeronautical University proposal for new resident campus.
- Completed purchase and began installation of 150 Wanxiang solar panels on Bell School Rd water reservoir.
- Commenced construction of Rockford Solar Partners' 3.5 megawatt solar farm.
- Worked with S.A. Industries to retain 60 jobs and \$1.5 million investment.
- Worked with Dixon Automatic Tool to retain 20 jobs and \$100,000 investment.
- Worked with Rockford Toolcraft to add 41,000 square feet, retaining 105 jobs and \$2.1 million investment.
- Worked with Pyramid Plastics, Inc to add new machinery resulting in 15 new jobs and retention of 40 jobs and \$500,000 investment.
- Provided assistance to Global Display Solutions; Cellusuede Products Inc; Navistar; Reload/Watco; Gates/S.A. Industries Corp; Testors; B/E Aerospace; Arntzen Corp; Rockford Products: W.A. Whitney; A-1 Wire Tech Inc; Amtech Precision Products; Dial Machine; Gunite; Peterson Engineering; Aim Distribution; Rail Construction Equipment; Barnes International; Caldwell Group; Thermo Fisher Scientific; Anderson Packaging; Pyramid Plastics; Alacran Contracting, all existing companies within the City.

### **2012 Goals & Objectives →**

- Complete S Main Corridor Study.
- Initiate Falcon Road reconstruction with EDP funds from IDOT on behalf of Anderson Packaging.
- Initiate Seminary St and Blackhawk Park Ave Reconstruction with EDP funds from IDOT on behalf of Gunite Corporation.
- Complete expansion of River Edge Redevelopment Zone.

## **Industrial Tax Increment Financing Districts**

- Begin construction of Logistics Parkway extension.
- Begin Construction of RockAero Park/Faith Center Church intersection/access road.
- Continue implementation of Kishwaukee Corridor Study recommendations.
- Complete annexation of Gensler and Wolfenberger properties.
- Continue to coordinate Kishwaukee Corridor Empowerment Group.
- Construct new Rockford Global TradePark sign.
- Continue cooperative marketing plan for industrial TIFs with RAEDC.
- Initiate creation of Global TradePark South Redevelopment Planning Area.
- Continue administration of Enterprise Zone program incentives and quarterly reporting.
- Continue administration of River Edge Zone program incentives and quarterly reporting.
- Complete Annual Tax Increment Financing reporting.
- Complete ED portion of HUD CAPER Report.
- Eliminate three sources of blight in industrial TIFs.
- Attract four new companies to industrial TIFs.
- Assist four existing companies to expand in industrial TIFs.
- Provide assistance to six existing companies in industrial TIFs.

# Industrial Tax Increment Financing Districts

## Budget Summary

<b>COMMUNITY DEVELOPMENT GLOBAL TRADE PARK TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$2,691	\$10,000	\$35,822	\$10,000	\$0
OTHER	754,988	809,168	835,616	814,488	5,320
TOTAL	<u>\$757,679</u>	<u>\$819,168</u>	<u>\$871,438</u>	<u>\$824,488</u>	<u>\$5,320</u>
<b>FUNDING SOURCE</b>	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$1,079,000	100.0	\$1,063,700	99.6	
INTEREST INCOME	0	0.0	3,892	0.4	
TOTAL	<u>\$1,079,000</u>	<u>100.0</u>	<u>\$1,067,592</u>	<u>100.0</u>	

<b>COMM DEV GLOBAL TRADE PARK 2 TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$1,787	\$0	\$775	\$0	\$0
OTHER	100,000	236,000	233,044	236,400	400
TOTAL	<u>\$101,787</u>	<u>\$236,000</u>	<u>\$233,819</u>	<u>\$236,400</u>	<u>\$400</u>
<b>FUNDING SOURCE</b>	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$193,600	0.0	\$188,600	99.6	
INTEREST INCOME	3,371	0.0	742	0.4	
TOTAL	<u>\$196,971</u>	<u>0.0</u>	<u>\$189,342</u>	<u>100.0</u>	

<b>COMM DEV GLOBAL TRADE PARK 3 TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	50,000	100,000	100,000	100,000	0
TOTAL	<u>\$50,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$0</u>
<b>FUNDING SOURCE</b>	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$138,900	0.0	\$82,600	98.1	
INTEREST INCOME	2,532	0.0	1,631	1.9	
TOTAL	<u>\$141,432</u>	<u>0.0</u>	<u>\$84,231</u>	<u>100.0</u>	

# Industrial Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT PRESTON CENTRAL TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$28,544	\$0	\$10,807	\$0	\$0
OTHER	<u>105,600</u>	<u>135,454</u>	<u>135,454</u>	<u>122,881</u>	<span style="color: red;">(12,573)</span>
TOTAL	<u>\$134,144</u>	<u>\$135,454</u>	<u>\$146,261</u>	<u>\$122,881</u>	<span style="color: red;">(\$12,573)</span>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$37,300	27.5	\$34,258	26.3
OTHER	98,300	0.0	96,175	73.7
INTEREST INCOME	<u>0</u>	<u>72.5</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$135,600</u>	<u>100.0</u>	<u>\$130,433</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$53	\$0	\$0
OTHER	<u>33,273</u>	<u>46,239</u>	<u>34,733</u>	<u>46,709</u>	470
TOTAL	<u>\$33,273</u>	<u>\$46,239</u>	<u>\$34,786</u>	<u>\$46,709</u>	<u>\$470</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$54,399	99.2	\$54,952	97.9
INTEREST INCOME	416	0.8	1,189	2.1
TOTAL	<u>\$54,815</u>	<u>100.0</u>	<u>\$56,141</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON #2 TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>100</u>	<u>0</u>	<u>100</u>	<u>0</u>
TOTAL	<u>\$0</u>	<u>\$100</u>	<u>\$0</u>	<u>\$100</u>	<u>\$0</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$253	100.0	\$217	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$253</u>	<u>100.0</u>	<u>\$217</u>	<u>100.0</u>

# Industrial Tax Increment Financing Districts

## Budget Analysis

This six district group collectively runs a deficit for the entire period, a low of \$0.8 million in 2013 and a high of \$1.9 million in 2030. This is entirely due to the Preston and Central TIF District which not only had cost overruns during site preparation but also delays in the project being initiated. Given the most optimistic outlook, this project could have several phases and change the current financial estimate. Until development occurs on the site, thereby producing increment, debt service payments will be reimbursed by Liebovich.

It is difficult to estimate revenue growth which is property tax increment, generated by new construction and projects as well as inflationary growth of existing equalized assessed valuation, for several decades. These projections are based upon the most conservative assumptions possible.

Deficit reduction actions taken in 2009 and 2010 included steps in the three Global Trade Park TIF Districts. For 2011, \$200,000 was transferred from Trade Park #2 and \$100,000 from Trade Park #3 to Trade Park #1. Additional transfers will be made in 2012 to address the Trade Park #1 deficit.

No long term financing is planned for 2012.

## Five Year Financial Forecasts

The 2013-2017 five-year forecasts assume no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. An ending balance schedule for all TIF districts for all years is also included.

### GLOBAL TRADE PARK TIF #1 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$781	\$788	\$794	\$803	\$806
Expenditures	834	857	748	983	1,018
Excess (Deficit)	(53)	(69)	46	(180)	(212)
Beginning Balance	399	347	278	323	143
Ending Balance	<u>\$346</u>	<u>\$278</u>	<u>\$324</u>	<u>\$143</u>	<u>(\$69)</u>

### GLOBAL TRADE PARK TIF #2 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$191	\$193	\$197	\$199	\$201
Expenditures	137	137	188	188	188
Excess (Deficit)	54	56	9	11	13
Beginning Balance	(17)	36	92	101	112
Ending Balance	<u>\$37</u>	<u>\$92</u>	<u>\$101</u>	<u>\$112</u>	<u>\$125</u>

### GLOBAL TRADE PARK TIF #3 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$85	\$86	\$88	\$90	\$91
Expenditures	50	50	50	100	100
Excess (Deficit)	35	36	38	(10)	(9)
Beginning Balance	49	84	120	158	148
Ending Balance	<u>\$84</u>	<u>\$120</u>	<u>\$158</u>	<u>\$148</u>	<u>\$139</u>

# Industrial Tax Increment Financing Districts

## PRESTON CENTRAL TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$128	\$164	\$163	\$161	\$159
Expenditures	<u>121</u>	<u>118</u>	<u>115</u>	<u>111</u>	<u>108</u>
Excess (Deficit)	<u>7</u>	<u>46</u>	<u>48</u>	<u>50</u>	<u>51</u>
Beginning Balance	<u>(1,146)</u>	<u>(1,138)</u>	<u>(1,092)</u>	<u>(1,044)</u>	<u>(994)</u>
Ending Balance	<u>(\$1,139)</u>	<u>(\$1,092)</u>	<u>(\$1,044)</u>	<u>(\$994)</u>	<u>(\$943)</u>

## KISHWAUKEE HARRISON TIF #1 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$57	\$58	\$59	\$59	\$60
Expenditures	<u>47</u>	<u>48</u>	<u>48</u>	<u>49</u>	<u>49</u>
Excess (Deficit)	<u>10</u>	<u>10</u>	<u>10</u>	<u>11</u>	<u>11</u>
Beginning Balance	<u>57</u>	<u>67</u>	<u>77</u>	<u>87</u>	<u>98</u>
Ending Balance	<u>\$67</u>	<u>\$77</u>	<u>\$87</u>	<u>\$98</u>	<u>\$109</u>

## KISHWAUKEE HARRISON TIF #2 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Ending Balance	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

# **Residential Tax Increment Financing Districts**

## **Mission Statement**

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

**Primary Functions** → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the TIF District.

The residential TIFs include Lincolnwood #1 and #2, Hope 6, Garrison, River Oaks, and Jackson School.

## **2011 Accomplishments**

- At Thatcher Blake RiverWalk, no additional units have been constructed above the 16 currently built out. There are two models to view and the prices have been reduced. Of the 16 units, eight units have been sold and there are two pending sales.
- There is one lot left to sell at Lincolnwood II. This lot/home must be presold prior to the start of construction.
- Construction began on five lots at the Springfield Corners Subdivision. Two of the five homes are completed and occupied. The sales of those homes under construction have been stalled due to the sluggish market.
- Garrison School apartments have been completed and are fully occupied.
- Garrison Gym apartments have four completed units and three of those are leased.
- Garrison Town Homes are completed. One has been sold while the remaining two have been leased on a regular basis. Planned is on-site property management. Also, a new contractor has been hired to complete the project. Rent levels have increased indicating a demand and marketability to higher income tenants. Improvements to the façade school and gym, garage entrances and plantings were made over the summer.
- 21XX Reed is currently available for sale. There is an interested party but no contracts have been executed for the sale of the lot.
- The Swedish American Foundation realized delays due to the economy and an underestimation of redeveloped costs. Three properties have been purchased and rehabilitated under the Jackson School TIF agreement with the City.

# Residential Tax Increment Financing Districts

## 2012 Goals and Objectives

- Facilitate through marketing efforts and the provision of incentives, the continued build out of the Springfield Corners Subdivision, Thatcher Blake RiverWalk, 21xx Reed Avenue, and the Garrison Lofts/Townhomes sites. The developers with lots/homes to sell are hopeful that the market will improve and they will sell additional units in 2012.
- The Garrison Townhome units are being listed as for sale or lease due to the high demand for upscale residential housing the development has experienced. While the long term strategy is to sell the townhomes, short term leases will provide the cash flow needed to justify the completion of additional units until the market fully recovers.
- Once the remaining units of Thatcher Blake Condos are sold, the developer intends to market the land for redevelopment.
- The one remaining unit in Lincolnwood Estates II will be sold and this TIF project will be completed.
- The developer at Springfield Estates will also continue to build out on the remaining lots once the housing market improves.
- The Swedish American Foundation will continue to acquire and redevelop property in the Jackson Oaks TIF according to their agreement.

## Budget Summary

<b>COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT #1</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$45,688	\$44,688	\$44,688	\$68,688	\$24,000
TOTAL	\$45,688	\$44,688	\$44,688	\$68,688	\$24,000
<b>FUNDING SOURCE</b>	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$76,800	96.2	\$79,058	95.8	
INTEREST INCOME	3,000	3.8	3,502	4.2	
TOTAL	\$79,800	100.0	\$82,560	100.0	

# Residential Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT #2</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$23,631	\$48,631	\$48,631	\$47,631	(\$1,000)
TOTAL	<u>\$23,631</u>	<u>\$48,631</u>	<u>\$48,631</u>	<u>\$47,631</u>	(\$1,000)
<b>FUNDING SOURCE</b>					
PROPERTY TAXES		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
TAX INCREMENT		\$47,000	98.3	\$58,900	97.8
INTEREST INCOME		800	1.7	1,353	2.2
TOTAL		<u>\$47,800</u>	<u>100.0</u>	<u>\$60,253</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT HOPE SIX TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$129,119	\$265,808	\$317,335	\$260,865	(\$4,943)
TOTAL	<u>\$129,119</u>	<u>\$265,808</u>	<u>\$317,335</u>	<u>\$260,865</u>	(\$4,943)
<b>FUNDING SOURCE</b>					
PROPERTY TAXES		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
TAX INCREMENT		\$181,530	100.0	\$176,729	100.0
INTEREST INCOME		0	0.0	0	0.0
TOTAL		<u>\$181,530</u>	<u>100.0</u>	<u>\$176,729</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT GARRISON TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$64,463	\$71,802	\$71,802	\$71,505	(\$297)
TOTAL	<u>\$64,463</u>	<u>\$71,802</u>	<u>\$71,802</u>	<u>\$71,505</u>	(\$297)
<b>FUNDING SOURCE</b>					
PROPERTY TAXES		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
TAX INCREMENT		\$53,000	100.0	\$80,734	100.0
INTEREST INCOME		0	0.0	0	0.0
TOTAL		<u>\$53,000</u>	<u>100.0</u>	<u>\$80,734</u>	<u>100.0</u>

## Residential Tax Increment Financing Districts

<b>COMMUNITY DEVELOPMENT RIVER OAKS TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$298,588	\$309,844	\$309,844	\$307,881	(\$1,963)
TOTAL	<u>\$298,588</u>	<u>\$309,844</u>	<u>\$309,844</u>	<u>\$307,881</u>	(\$1,963)

<b>FUNDING SOURCE</b>	2011		2012	
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$73,000	100.0	\$58,697	100.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	<u>\$73,000</u>	<u>100.0</u>	<u>\$58,697</u>	<u>100.0</u>

<b>COMMUNITY DEVELOPMENT JACKSON SCHOOL TAX INCREMENT FINANCING DISTRICT</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$75,000	\$0	\$0	(\$75,000)
OTHER	<u>206,063</u>	<u>67,735</u>	<u>115,105</u>	<u>116,985</u>	49,250
TOTAL	<u>\$206,063</u>	<u>\$142,735</u>	<u>\$115,105</u>	<u>\$116,985</u>	(\$25,750)

<b>FUNDING SOURCE</b>	2011		2012	
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$143,385	98.7	\$107,900	98.7
INTEREST INCOME	<u>1,900</u>	<u>1.3</u>	<u>1,469</u>	<u>1.3</u>
TOTAL	<u>\$145,285</u>	<u>100.0</u>	<u>\$109,369</u>	<u>100.0</u>

### Budget Analysis

This six district group collectively runs a deficit until 2026 ranging from \$1.5 million in 2012 to \$4.5 million in 2020. The deficit generators are Hope 6, a high deficit year (2023) of \$1,216,000 never turning positive, Garrison, a high deficit year (2023) of \$975,800 never turning positive, and River Oaks, a high deficit year (2019) of \$3.3 million never turning positive.

It is difficult to estimate revenue growth which is property tax increment, generated by new construction and projects as well as inflationary growth of existing equalized assessed valuation, for several decades. These projections are based upon the most conservative assumptions possible.

No long term financing is planned for 2012.

# Residential Tax Increment Financing Districts

## Five Year Financial Forecast

The 2013-2017 five-year forecasts assume no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. An ending balance schedule for all TIF districts for all years is also included.

### LINCOLNWOOD TIF FUND #1 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$84	\$84	\$85	\$86	\$87
Expenditures	92	89	86	83	159
Excess (Deficit)	(8)	(5)	(1)	3	(72)
Beginning Balance	154	146	142	141	144
Ending Balance	<u>\$146</u>	<u>\$141</u>	<u>\$141</u>	<u>\$144</u>	<u>\$72</u>

### LINCOLNWOOD TIF FUND #2 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	61	62	62	63	63
Expenditures	72	80	67	65	63
Excess (Deficit)	(11)	(18)	(5)	(2)	0
Beginning Balance	67	56	38	33	31
Ending Balance	<u>56</u>	<u>38</u>	<u>33</u>	<u>31</u>	<u>31</u>

### HOPE SIX TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$175	\$178	\$182	\$186	\$189
Expenditures	256	277	271	266	285
Excess (Deficit)	(81)	(99)	(89)	(80)	(96)
Beginning Balance	(304)	(385)	(484)	(573)	(653)
Ending Balance	<u>(\$385)</u>	<u>(\$484)</u>	<u>(\$573)</u>	<u>(\$653)</u>	<u>(\$749)</u>

### GARRISON TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$82	\$82	\$82	\$83	\$84
Expenditures	171	171	170	168	166
Excess (Deficit)	(89)	(89)	(88)	(85)	(82)
Beginning Balance	(272)	(272)	(362)	(449)	(534)
Ending Balance	<u>(\$361)</u>	<u>(\$361)</u>	<u>(\$450)</u>	<u>(\$534)</u>	<u>(\$616)</u>

### RIVER OAKS TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$59	\$60	\$60	\$61	\$62
Expenditures	331	329	327	349	366
Excess (Deficit)	(272)	(269)	(267)	(288)	(304)
Beginning Balance	(1,261)	(1,533)	(1,802)	(2,068)	(2,356)
Ending Balance	<u>(1,533)</u>	<u>(1,802)</u>	<u>(2,069)</u>	<u>(2,356)</u>	<u>(2,660)</u>

# Residential Tax Increment Financing Districts

JACKSON SCHOOL TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$110	\$111	\$112	\$113	\$114
Expenditures	<u>116</u>	<u>115</u>	<u>114</u>	<u>113</u>	<u>62</u>
Excess (Deficit)	(6)	(4)	(2)	0	52
Beginning Balance	<u>51</u>	<u>45</u>	<u>41</u>	<u>39</u>	<u>39</u>
Ending Balance	<u>\$45</u>	<u>\$41</u>	<u>\$39</u>	<u>\$39</u>	<u>\$91</u>

# **Community Development Sanitation Fund**

## **Mission Statement**

It is the mission of the Sanitation Division to provide for the collection and disposal of solid waste in a manner that is consistent with federal and state regulations, as well as to encourage the recycling efforts of the community.

**Primary Functions** → The four primary functions of the Sanitation Division include collection and disposal, composting, recycling, and technical and financial services.

- **Collection and Disposal**→ Provides weekly unlimited collection to all residential buildings of four units or less through a private contractor.
- **Composting Program**→ Contractor collects yard wastes, including leaves, grass, and pruning, and composts them at a City owned landfill site and uses material for landfill cover.
- **Recycling Program**→ Provides curbside recycling as part of regular weekly collection. Residents can recycle 32 items and Christmas trees are recycled seasonally.
- **Technical and Financial Services**→ Purchase of service for contract monitoring, billing and collecting, and reimbursement for street cleaning services are included.

## **Fund and Rate Information**

- Contracts for collection and disposal of solid waste extend to 2013 with contract annual price changes tied to Consumer Price Index (CPI), both positive and negative, not to exceed 4% per year.
- An increase of \$1.40 per month, to \$15.60 effective January 1, 2012 to cover cost of forestry service.

# Community Development Sanitation Fund

## Budget Summary

<b>COMMUNITY DEVELOPMENT SANITATION DIVISION BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL	6,567,498	7,138,632	6,504,899	7,150,630	11,998
SUPPLIES	1,100	500	658	500	0
OTHER	<u>1,293,600</u>	<u>1,367,775</u>	<u>1,389,339</u>	<u>2,204,550</u>	<u>836,775</u>
TOTAL	<u>\$7,862,198</u>	<u>\$8,506,907</u>	<u>\$7,894,896</u>	<u>\$9,355,680</u>	<u>\$848,773</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
SANITATION		\$21,000	0.2	\$21,000	0.2
FRINGE BENEFIT REIMBURSEMENT		700	0.0	700	0.0
USER FEE		8,571,100	99.1	9,169,800	99.1
LANDFILL RENT		15,400	0.2	15,400	0.2
INTEREST INCOME		<u>39,000</u>	<u>0.5</u>	<u>47,300</u>	<u>0.5</u>
TOTAL		<u>\$8,647,200</u>	<u>100.0</u>	<u>\$9,254,200</u>	<u>100.0</u>

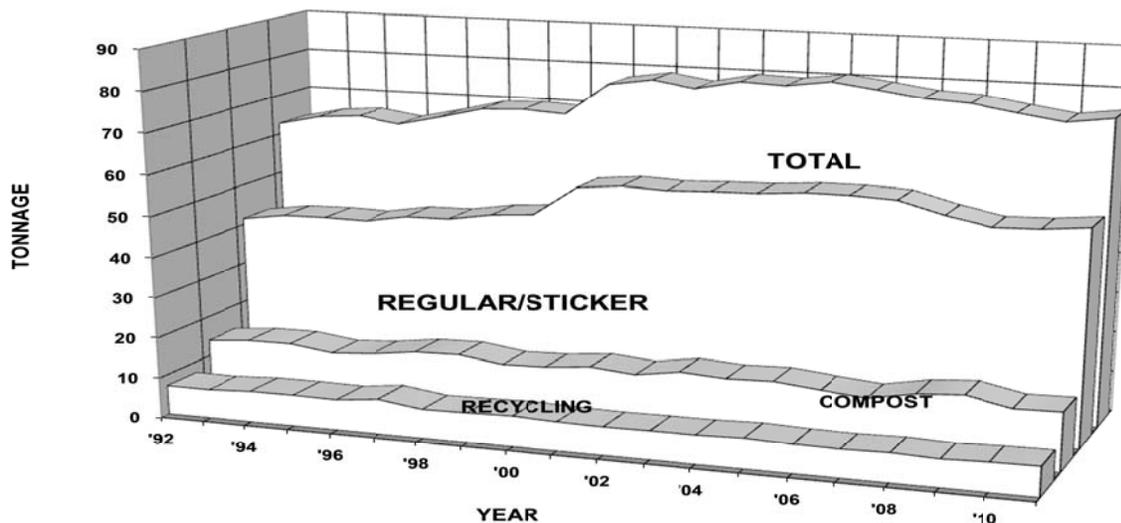
## Budget Analysis

The contractual budget for collection and disposal costs will increase \$71,320 or 1.3% from the previous year. Rate increases change by the CPI; 2012 CPI is estimated to be 2.8%. The collection rate will increase from \$66.74 to \$67.26 per ton while the disposal rate will rise from \$37.05 to \$37.34 per ton. Actual 2011 tonnage is 69,735, 9,760 tons less than the budgeted 79,500 while 2012's projected 74,500 tons is 5,000 tons less than 2011's budget and 4,765 tons more than the 2011 actual. Customers are estimated at 49,500 for the year.

Code Enforcement Division staff monitor and enforce the contract and are funded with a purchase of services from the General Fund. Supplies remained unchanged. Purchase of services increases \$836,775 reflecting an increase to cover purchase of service cost of forestry service (\$797,000) and increase in street sweeping expenses.

# Community Development Sanitation Fund

## ROCKFORD SOLID WASTE



SOURCE: COMMUNITY DEVELOPMENT

As the performance measurement schedule indicates, the introduction of alternative programs, composting and recycling, have kept wastes out of the landfill. It is anticipated 29% of the waste stream, or 21,500 tons, will be diverted for 2012.

Rate changes since the introduction of the user fee in 1984 have been minimal and with good reason. Previously, a ten cent property tax rate, generating \$2.0 million annually, added to the user fee in paying for this service. With this rate transferred to the General Fund to pay public safety expenses, the 2011 user fee was increased to pay for this service. The user fee increased for 2012, from \$170.40 to \$186.00. Other income includes land rental and interest earnings.

In 2011, the Sanitation Fund spent \$7,894,896 or 92.8% of the budgeted allocation. In the past several years, 91% to 99% of the budget has been spent.

### Five Year Financial Forecast

The 2013-2017 five year forecast assumes that total tonnage will increase approximately 300 tons per year. Costs are expected to increase 3.0% (4% is the maximum) annually for collection, composting, and recycling, and disposal.

SANITATION FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Recommended Rates	\$186.00	\$186.00	\$192.00	\$198.00	\$204.00
Revenues	\$9,584	\$9,961	\$10,346	\$10,734	\$11,131
Expenses	<u>9,942</u>	<u>10,122</u>	<u>10,613</u>	<u>10,817</u>	<u>11,163</u>
Excess(Deficit)	<u>(358)</u>	<u>(162)</u>	<u>(267)</u>	<u>(82)</u>	<u>(32)</u>
Beginning Balance	<u>2,703</u>	<u>2,345</u>	<u>2,183</u>	<u>1,915</u>	<u>1,833</u>
Ending Balance	<u>\$2,345</u>	<u>\$2,183</u>	<u>\$1,915</u>	<u>\$1,833</u>	<u>\$1,801</u>
RESERVE	23.6	21.6	18.0	16.9	16.1

# Community Development Sanitation Fund

## Performance Measurements

	2009 Tonnage	2010 Tonnage	2011 Budgeted Tonnage	2011 Actual Tonnage	2012 Budgeted Tonnage	2011-2012	2011 Actual/ 2012 Budget
Regular	51,786	49,739	56,000	48,038	53,000	(3,000)	4,962
Composting	16,620	14,490	16,000	14,812	14,000	(2,000)	(812)
Recycling	6,830	6,736	7,500	6,886	7,500	0	614
Sticker	17	3	0	0	0	0	0
	75,253	70,968	79,500	69,736	74,500	(5,000)	4,764
Landfill	51,803	49,742	56,000	48,038	53,000	(3,000)	4,962
Baxter	16,620	14,490	16,000	14,812	14,000	(2,000)	(812)
Recycled	6,830	6,736	7,500	6,886	7,500	0	614
	75,253	70,968	79,500	69,736	74,500	(5,000)	4,764
Diversion Rate	31.2	29.9	29.6	31.1	28.9		

# **Human Services**

## **Mission Statement**

It is the mission of the Human Services Department to mobilize community resources to change people's lives, offer hope to those in need, improve our community, and help people help themselves and others.

**Primary Functions & Services** → The primary function of the Human Services Department is to provide funding, activities, and services for programs that include Head Start, Energy Services, Weatherization, and Community Services.

**Head Start Program** → This program is aimed at meeting the educational, social, health, and emotional needs of low-income preschool children and their families in Winnebago County. Facilities are located at the former Henrietta School, near the Orton Keyes housing development, and near the Fairgrounds housing development. Activities are geared toward developing the cognitive, emotional, and social growth of the child. The program has four different service options that include home based parent and child instruction and part day, full day, and child care based classroom experiences for children age's 3-5 years old from income eligible households. A new Early Head Start program targets children younger than 3.

**Energy Assistance Program** → The Department is the local administering agency for the Low Income Home Energy Assistance Program (LIHEAP) for Winnebago and Boone counties. LIHEAP assists those who pay their heating bills to a regulated fuel company or has heating included in their rent. The amount of assistance varies with household income, size, and fuel type. Priority eligibility is given to the elderly and handicapped. Over 90% of the recipients live in Rockford.

**Weatherization** → The Weatherization program is responsible for lessening the impact of heating and cooling costs to low-income individuals by making homes more energy efficient. Homes are selected on a first come first serve basis following a completed and approved application. Homes that are not owner occupied require a landlord/owner contribution. Otherwise, household income and size information are used to determine eligibility. Serves Winnebago and Boone counties.

**Community Services Program** → The primary goal of Community Services is to promote self-sufficiency among low-income individuals. Activities include outreach, advocacy, emergency assistance, summer food, self-sufficiency case management and training, consumer education, and economic development through small business loans, scholarships, and Individual Development Accounts.

**The Get the Lead Out (GLO)** → Program targets homes occupied by families with one or more children ages 6 years or under who test with elevated lead levels placing them at risk of health and/or developmental consequences. The same eligibility rules apply to the GLO program as those used by the Weatherization program. Serves Winnebago and Boone counties.

**Housing Assistance** → Services include emergency shelter, transitional housing, permanent supportive housing, rent and mortgage assistance and temporary and permanent crisis relocation assistance to residents of Winnebago and Boone Counties.

# **Human Services**

## **2011 Accomplishments →**

- Continued SWEEP (Sharing Work for Excellence Everywhere Program) with Code Enforcement Division.
- Permanent Supportive Housing units/persons continued to expand during 2011 with three new permanent housing projects funded by HUD.
- Homeless prevention services were provided to 1,400 households through December 2011.
- Rental Housing Support Program added another 30 units of affordable housing in market rate properties owned and managed by private landlords. The program now provides a total of 175 units.
- Continued support of Neighborhood Network and Community Gardens, both of which made significant progress towards becoming self sustaining in 2011.
- The Energy Division assisted 300 individuals in receiving credits under the ComEd Hardship Reconnection Assistance Program through December 2011.
- The Summer Food Program served 2,535 children through December 2011.
- 797 children and families participated in Head Start/Early Head Start during the 2010/2011 school year. Of this total, 92 were children/pregnant women enrolled in Early Head Start through December 2011.
- Early Head Start passed its first federal review with no findings of non-compliance.
- A \$75,000, three-year commitment of private funding and scores of volunteers were secured from PNC Bank to support the work of Head Start.
- Head Start health, dental and nutrition treatment results continued to improve significantly during the 2010/2011 school year.
- Positive change continued to be measured in the beliefs and behaviors regarding the use of ATOD (alcohol, tobacco, and other drugs) by local youth and children as measured by the IL Youth Survey.
- A \$250,000 three year grant was secured from the DCEO Office of Urban Assistance to train new Weatherization Assessors/Auditors. (The goal of this new program is to expand minority participation in the Weatherization work force and eventually fund additional weatherization work to create job opportunities and career paths in the energy retrofit business.)
- Staff actively participated in a number of planning groups, projects, committees and work groups in 2011 included Alignment Rockford, Success by Six, Early Learning Council, and Healthy Communities, Human Services Coalition among others. Joint projects were initiated with Rockford Housing Authority, Workforce Investment Board, Prenatal to Six, the Home Visiting Task Force and others.

# **Human Services**

## **2012 Goals and Objectives →**

- Review our involvement in housing programs and services based on community impact, organizational capacity and resources.
- Weatherize approximately 298 homes based on the state and federal 2012 funding levels and provide new assessor training under Urban Weatherization grant funding resulting in 18 new assessors.
- Participate in the fall roll out of the Percentage of Income Payment Plan (PIPP) as an alternative to LIHEAP targeting 500 participants/households.
- Serve approximately 775 Head Start and Early Head Start eligible families based on the federal 2012 funding levels and the recent selection of our community by the IL Office of Early Childhood to receive targeted funding for additional home visiting services and local system development.
- Reassess priorities for use of CSBG funds and staffing resources guided by local needs and priorities and strategic planning.
- Continue our role in community initiatives, planning groups and collaborative projects using the lens of the strategic planning process to prioritize effort.
- Continue to look for new resources based on local needs and priorities using the strategic planning process.
- Continue to work toward a common local system for tracking Head Start children's post Head Start educational progress as a means of assessing and improving program outcomes in collaboration with District 205 and ISBE (Illinois State Board of Education).
- Continue the use of community sites taking energy assistance applications and explore ways to expand the use of community resource sites.
- Continue social norms campaign and other prevention education efforts aimed at children/youth to reduce the use of ATOD (alcohol, tobacco, and other drugs) and expand these efforts based on available resources.
- Explore ways to improve staff support, moral retention and engagement using the strategic planning process.

# Human Services

## Budget Summary

<b>HUMAN SERVICES BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$6,994,773	\$6,613,506	\$6,771,243	\$6,104,447	(\$509,059)
CONTRACTUAL	\$2,821,627	2,891,529	2,287,737	1,769,244	(1,122,285)
SUPPLIES	\$1,724,475	754,302	1,742,331	754,300	(2)
OTHER	\$9,624,183	4,750,326	5,683,973	4,279,875	(470,451)
INTEREST	\$0	0	0	0	0
CAPITAL	<u>\$275,659</u>	<u>0</u>	<u>26,685</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>\$21,440,718</u></b>	<b><u>\$15,009,663</u></b>	<b><u>\$16,511,969</u></b>	<b><u>\$12,907,866</u></b>	<b><u>(\$2,101,797)</u></b>

<b>STAFFING REVIEW</b>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
TOTALS	91	98.00	99.00	90.58	(8.42)

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
FEDERAL	\$7,288,080	51.6	\$5,607,679	44.3
STATE	6,630,237	47.0	7,022,968	55.5
GENERAL REVENUES	<u>196,666</u>	<u>1.4</u>	<u>26,000</u>	<u>0.2</u>
	<b><u>\$14,114,983</u></b>	<b><u>100.0</u></b>	<b><u>\$12,656,647</u></b>	<b><u>100.0</u></b>

## Budget Analysis

The 2012 budget is \$12,907,866, which is a decrease of \$2,101,797 (14.0%) from the previous year. Personnel costs decrease due to a decrease in Weatherization and Community Services staffing (\$509,100). Decreases include permanent salaries (\$420,300), IMRF (\$72,000), health insurance (\$4,700) and unemployment (\$15,900) offset by a slight increase in workman's compensation (\$3,700).

Contractual expenses decreased \$1,122,285. Major decreases include other contractual services (\$557,900), building rental (\$25,300), fuel expenses (\$6,100), telephone expenses (\$6,700), education and training (\$501,500), and janitorial contract (\$2,400). These decreases are the result of the additional federal ARRA funding ending for a number of programs. Additional decrease in risk management charges (\$21,800) due to an audit of the City's insurance policies and related charges to departments.

Supply expenses decreased slightly due to minor increases and decreases in multiple accounts.

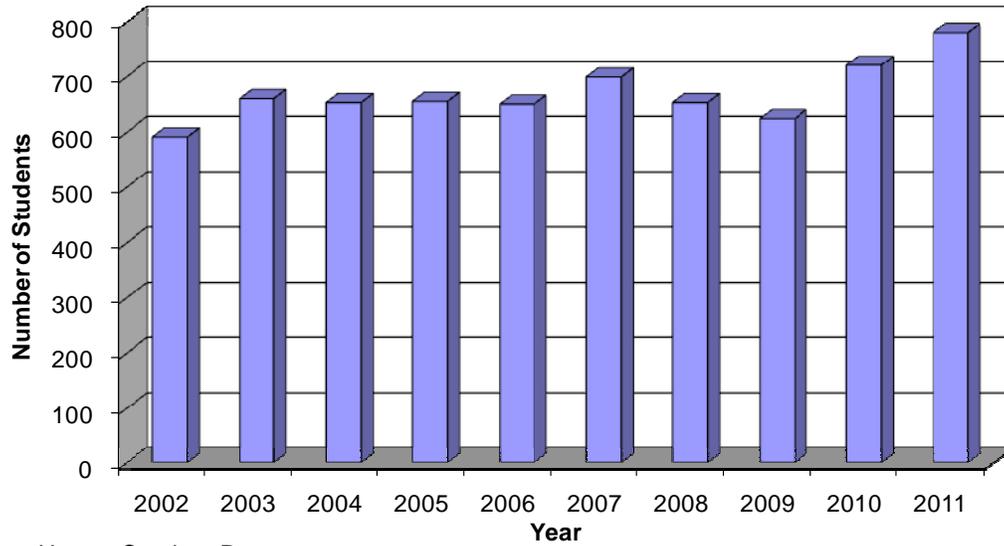
Other expenses decreased \$470,451. Decreases include homeless prevention (\$211,800), rental assistance (\$77,000), down payment assistance (\$48,100), tenant based assistance (\$124,800) and essential services (\$8,700). These expenses all reflect direct services provided to the community.

In 2011, the Human Services Department spent \$16,511,969. Spending tends to vary depending on matching program levels with funding sources.

# Human Services

## Information and Statistics

### City of Rockford, Illinois Head Start Program History 2002-2011

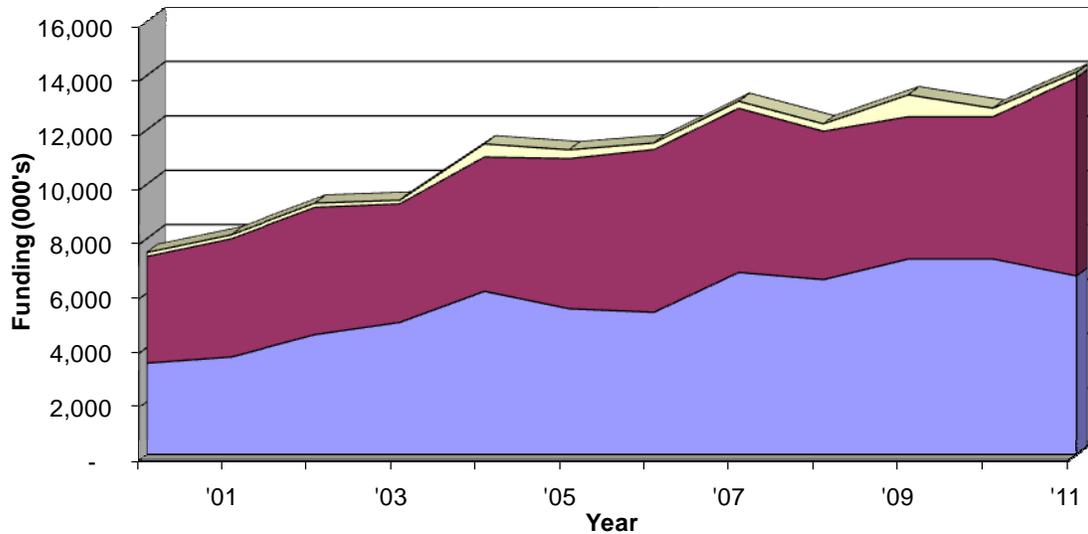


Source: Human Services Department

The Head Start Program is aimed at meeting the educational, social, health, and emotional needs of low-income preschool children and their families in Winnebago County. The program has four different service options which consist of home base schooling, students in part day classes, students in a full-time day setting, and family plus. In 2011, the Human Services Department provided the program to over 797 children. The program estimates an enrollment of 775 in 2012.

# Human Services

## City of Rockford, Illinois Human Services Department Funding Level History 2000-2011



Funding for this department changes on a yearly basis. The major funding source in 2011 was the State government at 66%, the Federal government at 34%, and the City contributing less than 1.0% of total funding. In 2012, funding from the Federal government is expected to decrease over \$1.5 million. The City's contribution decreased by \$170,000.

### Capital Equipment

For 2012, no capital items are budgeted.

### Five Year Financial Forecast

The 2013-2017, five year, financial forecast assumes that all grants and other funding sources for Human Services will remain stable. From year to year, increases and decreases have fluctuated between five and 30 percent. The instability of year to year funding levels is due to the greater than 95 percent dependence each year on state and federal funding. Since levels of expenditures are tied directly to the amount allocated by outside funding sources, both revenue and expenditures are projected at the same amount for five years.

Human Services Department 2013-2017 Financial Forecast (in 000's)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$12,656,647	\$12,656,647	\$12,656,647	\$12,656,647	\$12,656,647
Expenditures	<u>12,656,647</u>	<u>12,656,647</u>	<u>12,656,647</u>	<u>12,656,647</u>	<u>12,656,647</u>
Excess (Deficit)	0	0	0	0	0
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

# Human Services

## Performance Measures

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Clients receiving weatherization assistance	459	459	648	400
Individual Development Accounts	0	0	0	0
Households Receiving Energy Assistance	16,000	13,000	9,228	5,000
Head Start program enrollment	624	721	797	775
Homeless Prevention clients served	2,435	1,267	1,400	200
Lead Abatement - GLO	46	46	0	0
Summer Food Program	4,400	4,400	2,535	1,500

# Human Services

## Personnel Review

<b>HUMAN SERVICES</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>(DECREASE)</b>
PERMANENT		\$4,208,309	\$3,787,971	(\$420,338)
TEMPORARY		8,200	8,200	0
MERIT		0	0	0
SALARY ADJUSTMENT		0	0	0
SALARY SAVINGS		0	0	0
<b>TOTAL SALARIES</b>		<b>\$4,216,509</b>	<b>\$3,796,171</b>	<b>(\$420,338)</b>
<b>BENEFITS</b>				
IMRF		\$861,020	\$789,034	(\$71,986)
UNEMPLOYMENT TAX		129,042	113,184	(15,858)
WORKMEN'S COMP		28,651	32,303	3,652
HEALTH INSURANCE		1,351,376	1,346,722	(4,654)
RETIREE HEALTH INSURANCE		16,068	16,848	780
LIFE INSURANCE		7,720	7,065	(655)
PARKING		3,120	3,120	0
<b>TOTAL BENEFITS</b>		<b>\$2,396,997</b>	<b>\$2,308,276</b>	<b>(\$88,721)</b>
<b>TOTAL COMPENSATION</b>		<b>\$6,613,506</b>	<b>\$6,104,447</b>	<b>(\$509,059)</b>
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	<b>(DECREASE)</b>
EXECUTIVE DIRECTOR OF HUMAN SERVICE	E-14	1.00	1.00	0.00
HEADSTART DIRECTOR	E-11	1.00	1.00	0.00
EARLY HEAD START MANAGER	E-9	1.00	1.00	0.00
ADMIN & SUPPORT SERVICES MGR	E-9	1.00	1.00	0.00
FAMILY & COMMUNITY PARTNERSHIP MGR	E-9	1.00	1.00	0.00
CHILD DEVELOPMENT MANAGER	E-9	1.00	1.00	0.00
CSBG DIRECTOR	E-9	1.00	1.00	0.00
ENERGY PROGRAMS MANAGER	E-9	1.00	0.75	(0.25)
SITE MANAGER	E-8	3.00	3.00	0.00
FISCAL OFFICER	E-7	1.00	1.00	0.00
HEALTH SERVICES MANAGER	E-7	1.00	1.00	0.00
SPECIAL NEEDS/MENTAL HEALTH CO EX	E-7	1.00	1.00	0.00
ADMINISTRATIVE COORDINATOR	E-7	1.00	0.00	(1.00)
WEATHERIZATION SPECIALIST	E-6	4.00	2.00	(2.00)
FAMILY RESOURCE WORKER	AF	8.40	7.96	(0.44)
HOUSING ADVOCATE	E-6	2.00	2.00	0.00
CSBG PROGRAM COORDINATOR	E-6	1.00	1.00	0.00
RECRUITMENT/ENROLLMENT SPECIALIST	E-6	1.00	1.00	0.00
OUTREACH WORKER	E-6	5.00	5.00	0.00
ENERGY SPECIALIST	E-6	4.00	1.75	(2.25)
TRANSPORTATION SPECIALIST	E-6	1.00	1.00	0.00
CS DRUG FREE COORDINATOR	E-6	1.00	1.00	0.00
CS HOMELESS COORDINATOR	E-6	1.00	0.00	(1.00)
HEAD TEACHER	AF	11.70	12.45	0.75
HOME VISITOR TEACHER	AF	1.56	1.52	(0.04)
SENIOR ACCOUNT CLERK	E-5	3.00	3.00	0.00
TRAINING COORDINATOR	E-5	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT	E-5	1.00	3.00	2.00
SENIOR OFFICE ASSISTANT	E-4	5.00	3.00	(2.00)
HEALTH TECHNICIAN	AF	0.98	0.98	0.00
ASSISTANT TEACHER	AF	12.02	11.25	(0.77)
PREVENTION PROGRAM SPECIALIST	E-3	1.00	1.00	0.00
PROGRAM DATA SPECIALIST	E-3	1.00	1.00	0.00
MAINTENANCE/REPAIR TECHNICIAN	SAFETY	1.00	1.00	0.00
OFFICE ASSISTANT	AF	4.75	3.75	(1.00)
OFFICE ASSISTANT	E-3	0.00	0.00	0.00
BUS DRIVER	AF	9.20	9.61	0.41
COOK AIDE	AF	2.37	1.56	(0.81)
<b>TOTAL PERSONNEL</b>		<b>99.00</b>	<b>90.58</b>	<b>(8.42)</b>

# Tuberculosis Sanitarium Fund

## Mission Statement

It is the mission of the Tuberculosis Sanitarium fund to provide medical treatment for residents and non-residents that have tuberculosis.

**Primary Functions** → The primary function of the Tuberculosis Sanitarium fund is to provide active or preventative patients with oral medication on an outpatient basis.

## Fund Highlights

Effective January 1, 1999, the City contracted with the Winnebago County Health Department for providing medical treatment for tuberculosis. The City levies property taxes to fund TB care with the actual provision of the service provided by the County Health Department. Patients receive tuberculosis screening, x-rays, medication and follow-up services. The City and the Tuberculosis Board provide all fiscal resources and policy oversight. In 2011, 1,471 city patients were served (2010 – 2,040, 2009 – 1,970). City patients have been 84% of the caseload for 2011 (2010 – 88%, 2009 – 86%).

## Budget Summary

<b>TUBERCULOSIS SANITARIUM BUDGET SUMMARY</b>						
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)	
CONTRACTUAL	\$131,458	\$160,300	\$134,422	168,300	8,000	
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
TOTAL	<u>\$131,458</u>	<u>\$160,300</u>	<u>\$134,422</u>	<u>\$168,300</u>	<u>\$8,000</u>	
<b>FUNDING SOURCE</b>			2011 <u>TOTAL</u>	2011 <u>PERCENTAGE</u>	2012 <u>TOTAL</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES						
TUBERCULOSIS SANITARIUM			\$158,697	100.0	\$166,617	98.9
SERVICE CHARGES			0	0.0	0	0.0
INTEREST INCOME			<u>0</u>	<u>0.0</u>	<u>1,800</u>	<u>1.1</u>
TOTAL			<u>\$158,697</u>	<u>100.0</u>	<u>\$168,417</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$168,300 is \$8,000 (6.0%) more than the 2011 budget of \$160,300. Prior to 1999, the City provided tuberculosis services to residents. In 1999, the City began contracting with the County to provide such services. Spending has been \$153,233 for 2009, \$131,459 for 2010 and \$134,422 for 2011.

# Tuberculosis Sanitarium Fund

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes marginal change in the contracted service cost and property tax levy. Under statutory authority, the tax rate for this purpose cannot exceed five cents. The five year plan calls for using nine-tenths of a cent during this time period.

### TUBERCULOSIS SANITARIUM FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$178	\$187	\$196	\$205	\$215
Expenditures	<u>177</u>	<u>186</u>	<u>195</u>	<u>205</u>	<u>215</u>
Excess (Deficit)	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>58</u>	<u>50</u>	<u>40</u>	<u>30</u>	<u>18</u>
Ending Balance	<u>\$59</u>	<u>\$51</u>	<u>\$41</u>	<u>\$30</u>	<u>\$18</u>
Rate (Cents)	0.9	0.9	1.0	1.0	1.0

# Rockford Public Library

## Mission Statement

The mission of Rockford Public Library is to enhance community life and development by informing, educating, entertaining, and providing cultural enrichment to all people of all ages and by continuously collecting information to address the diverse interests of our dynamic community.

**Primary Functions** → The primary function of the Library is to provide a variety of services to the public through the Main Downtown facility and its five branch extensions. There are six primary operating divisions throughout the library network.

- **Administrative** → The Administrative Division provides all administrative and support services in order to maintain library operations.
- **Adult Services** → The primary responsibility of the Adult Services Division is to provide information in the form of media and non-print media, as well as instructions for use. This division is also responsible for providing cultural event programs and instructions in utilizing computers for information purposes.
- **Youth Services** → Youth Services provides story programs, children's books, reference materials, periodicals, and non-print media to children, parents, and teachers. An introduction to computers, the Internet, and other electronic information is also available in this division.
- **Circulation** → The primary responsibility of the Circulation Division is to checkout and return library materials, perform borrower's registration, and process reserves and overdue loans.
- **Collection Management & Technical Services** → The primary responsibility of the Collection Management & Technical Services Division is to identify, order, receive, and catalog all library materials for use by the public. It is also responsible for identifying and withdrawing materials no longer needed in the collection.
- **Physical Facilities** → Physical Facilities is responsible for maintaining the appearance and physical operations of the Main Library and all branches.
- **Branch Services** → There are five branch divisions of the Rockford Public Library (Montague, Rock River, Northeast, Lewis Lemon, and Rockton). Each division is independent of each other and is supervised by a Manager. The branches provide a basic collection of print, media, and electronic database resources that are appropriate for the community. Each branch also provides circulation, library card registration, reference, programming, and Internet access services to the public.

## 2011 Accomplishments →

- Successfully implemented union contract for 2011-2012.
- Completed Main Library remodeling project.
- Purchased new truck equipped with snow plow and salt spreader for snow removal at all library locations.

## **Rockford Public Library**

- Expanded digital collections adding e-books, Playaway View for Children, and new database subscriptions.
- Upgraded photocopiers for all library locations.
- Installed telephone renewal system to notify library customers of holds, fines and fees, interlibrary loan pick-up, etc.

### **2012 Goals and Objectives →**

- Successfully implement a new union contract.
- Install fiber optic connections to enhance Internet service to the Rockford community.
- Replace Montague Branch Library's boiler for a more energy efficient boiler.
- Replace voice over IP System.
- Install new surveillance equipment at all locations for public safety.
- Continue to explore federated searching systems.
- Replace servers at various library locations.
- Purchase eReaders for circulation to the Rockford community.

# Rockford Public Library

## Budget Summary

ROCKFORD PUBLIC LIBRARY BUDGET SUMMARY					
	2010	2011	2011	2012	INCREASE
<b>APROPRIATION</b>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERSONNEL	\$4,186,898	\$4,291,644	\$4,163,960	\$4,576,034	\$284,390
CONTRACTUAL	1,112,277	1,609,529	1,190,906	1,532,301	(77,228)
SUPPLIES	1,202,265	1,313,502	1,274,834	1,446,328	132,826
OTHER	50,480	57,350	57,063	88,875	31,525
INTEREST	244,644	248,575	239,519	239,394	(9,181)
CAPITAL	58,388	350,400	293,252	239,998	(110,402)
ENCUMBRANCE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<u>\$6,854,952</u>	<u>\$7,871,000</u>	<u>\$7,219,534</u>	<u>\$8,122,930</u>	<u>\$251,930</u>

	2009	2010	2011	2012	INCREASE
<b>STAFFING REVIEW</b>					<u>(DECREASE)</u>
EMPLOYEES	151	107	108	109	1.00
FULL-TIME EQUIVALENT	114.83	82.00	84.50	86.00	1.50

<b>FUNDING SOURCE</b>	2011	2011	2012	2012
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
LIBRARY OPERATIONS	\$6,835,200	81.0	\$6,800,000	83.7
LIBRARY MAINTENANCE	427,200	5.1	300,000	3.7
ADJUSTMENTS, INT 3, TAX CAP	0	0.0	0	0.0
FRINGE BENEFIT REIMBURSEMENTS	20,000	0.2	0	0.0
REPLACEMENT TAXES	620,000	7.3	700,000	8.6
FINES	193,490	2.3	92,680	1.1
NON-RESIDENT FEES	18,870	0.2	17,500	0.2
SERVICE CHARGES	28,860	0.3	22,000	0.3
RENTS AND REIMBURSEMENTS	1,500	0.0	3,000	0.0
INTEREST INCOME/ENDOWMENTS	117,232	1.4	7,000	0.1
STATE OF ILLINOIS	152,000	1.8	150,000	1.8
MISCELLANEOUS	<u>26,500</u>	<u>0.3</u>	<u>30,750</u>	<u>0.4</u>
<b>TOTAL</b>	<u>\$8,440,852</u>	<u>100.0</u>	<u>\$8,122,930</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$8,122,930 is a \$251,930 (3.2%) increase from the 2011 budget. Personnel costs increased \$284,390 overall mainly due to an increase in salaries (\$71,300), bonuses (\$51,000), IMRF expense (\$31,900), health insurance (\$154,400). These increases were offset by decreases to temporary staffing expenses (\$5,000) and severance pay (\$20,000).

Contractual services decreased \$77,228 overall. A number of decreases occurred, including telephone at \$24,800, postage at \$32,100, service contracts at \$39,800, and building maintenance at \$5,900. These decreases were offset by increases in education (\$22,200) and miscellaneous professional fees (\$4,300).

# Rockford Public Library

Supplies increased \$132,826, with a number of adjustments. The overall spending for new library materials slightly increased from 2011 (\$129,600), as well as small tools (\$29,500) and equipment expenses (\$7,800). Decreases occurred in office supplies (\$15,100) and computer expenses (\$19,000).

Other expenses increased \$31,525, in group programs. Capital expenditures decreased \$110,402.

In 2011, actual expenditures were \$7,219,534, or 91.7% of the budgeted amount.

## **Five Year Financial Forecast**

The five-year financial forecast assumes three percent assessed valuation growth and a 32-cent property tax rate for operations and maintenance tempered by the impact of tax caps. As can be seen in the schedule below, the tax cap erodes the library's fiscal base. Other forms of revenue increase approximately five percent each year. Expenditures for personnel and supply cost are assumed to increase 5% annually; contractual costs are expected to increase 3.5% each year. All other expenditure types (other, interest, capital) are budgeted at current levels.

### **Library Fund 2013-2017 Financial Forecast (In 000's)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$8,300	\$8,150	\$8,960	\$9,204	\$9,445
Expenses	<u>8,155</u>	<u>8,507</u>	<u>8,875</u>	<u>9,261</u>	<u>9,664</u>
Excess (Deficit)	<u>145</u>	<u>(357)</u>	<u>85</u>	<u>(57)</u>	<u>(219)</u>
Beginning Balance	2,566	2,711	2,354	2,439	2,382
Ending Balance	<u>\$2,711</u>	<u>\$2,354</u>	<u>\$2,439</u>	<u>\$2,382</u>	<u>\$2,163</u>

Tax rate limits are 30 cents for operations and two cents for maintenance; fringe benefit reimbursement rates are unlimited.

# Rockford Public Library

## Capital Equipment

Capital items total \$239,998 for 2012, a decrease of \$110,402 over 2011. Expenditures for 2012 include \$125,000 in building improvements at the Main Library and various branches, \$30,000 for a voice over IP system, \$9,200 for new microfilm readers, \$4,500 for computer software, \$30,000 for system servers, \$13,333 for furniture at the Montague branch, and \$23,000 for multiple database search capabilities and download stations.

<b>CAPITAL EQUIPMENT ROCKFORD PUBLIC LIBRARY 2012 BUDGET</b>			
<u>Description</u>	<u>Cost Center</u>	<u>Account</u>	<u>Amount</u>
MICROFILM READER	1764-ITS	79920	\$9,200
NEW COMPUTER SOFTWARE		79927	4,500
MULTIPLE DATABASE SEARCHING		79927	15,000
SERVERS		79928	30,000
VOICE OVER IP SYSTEM		79928	30,000
DOWNLOAD STATIONS		79928	8,000
ADA BATHROOM-3RD FLOOR MAIN	1850-MAINTENANCE	79911	10,000
BUILDING IMPROVEMENTS-VARIOUS LOCATIONS		79911	50,000
SURVEILLANCE EQUIPMENT-VARIOUS LOCATIONS		79911	65,000
B&W COPIER WITH FAX	1762-FINANCE	79911	4,965
SERVICE DESK, TABLE AND CHAIRS	1820-MONTAGUE	79911	13,333
TOTAL CURRENT CAPITAL EQUIPMENT			<u>\$239,998</u>

# Rockford Public Library

## Personnel Review

ROCKFORD PUBLIC LIBRARY							
<b>BENEFITS AND SALARIES</b>					<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>					<b>BUDGET</b>	<b>BUDGET</b>	<b>(DECREASE)</b>
PERMANENT					\$3,055,819	\$3,127,085	\$71,266
TEMPORARY					25,000	20,000	(5,000)
SEVERANCE PAY					70,000	50,000	(20,000)
BONUS					0	51,000	51,000
<b>TOTAL SALARIES</b>					<b>\$3,150,819</b>	<b>\$3,248,085</b>	<b>\$97,266</b>
<b>BENEFITS</b>							
ILLINOIS MUNICIPAL RETIREMENT					\$644,656	\$676,576	\$31,920
UNEMPLOYMENT TAX					25,000	25,000	0
WORKMEN'S COMPENSATION					12,021	14,816	2,795
HEALTH INSURANCE					447,148	601,557	154,409
LIFE INSURANCE					2,000	1,500	(500)
PARKING BENEFITS					10,000	8,500	(1,500)
<b>TOTAL BENEFITS</b>					<b>\$1,140,825</b>	<b>\$1,327,949</b>	<b>\$187,124</b>
<b>TOTAL COMPENSATION</b>					<b>\$4,291,644</b>	<b>\$4,576,034</b>	<b>\$284,390</b>
	<b>POSITION</b>	<b>2011</b>	<b>2011</b>	<b>2012</b>	<b>2012</b>	<b>FTE</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>FTE</b>	<b>EMPLOYEES</b>	<b>FTE</b>	<b>EMPLOYEES</b>	<b>CHANGE</b>	<b>(DECREASE)</b>
LIBRARY DIRECTOR	E-41	1.00	1	1.00	1	0.00	0.00
ASSISTANT DIRECTOR	E-38	1.00	1	1.00	1	0.00	0.00
MANAGER-ADULT SERVICES	E-35	1.00	1	1.00	1	0.00	0.00
CHIEF FINANCIAL OFFICER	E-35	1.00	1	1.00	1	0.00	0.00
DEVELOPMENT OFFICER	E-35	1.00	1	1.00	1	0.00	0.00
MANAGER-YOUTH SERVICES	E-34	1.00	1	0.00	0	(1.00)	(1.00)
ASSISTANT MANAGER-CIRCULATION	E-32	0.00	0	1.00	1	1.00	1.00
PROGRAM OFFICER	E-32	1.00	1	1.00	1	0.00	0.00
ASSISTANT MANAGER-ADULT SERVICES	E-32	0.00	0	0.00	0	0.00	0.00
ILS SPECIALIST	E-32	1.00	1	1.00	1	0.00	0.00
MANAGER-CIRCULATION	E-32	1.00	1	1.00	1	0.00	0.00
MANAGER-PHYSICAL FACILITIES	E-32	1.00	1	1.00	1	0.00	0.00
MANAGER-BRANCH	E-32	4.00	4	4.00	5	0.00	1.00
MANAGER-COLLECTIONS	E-29	0.00	0	0.00	0	0.00	0.00
COMMUNITY RELATIONS OFFICER	E-29	1.00	1	1.00	1	0.00	0.00
MANAGER-INFORMATION TECHNOLOGY	E-29	1.00	1	1.00	1	0.00	0.00
ADMINISTRATIVE SECRETARY	E-26	1.00	1	1.00	1	0.00	0.00
PERSONNEL OFFICER	E-26	1.00	1	1.00	1	0.00	0.00
INFORMATION TECHNOLOGY TECHNICIAN	E-26	1.00	1	0.00	0	(1.00)	(1.00)
INFORMATION TECHNOLOGY ASST	E-26	1.00	1	2.00	2	1.00	1.00
FINANCE/PAYROLL ASSISTANT	E-25	1.00	1	1.00	1	0.00	0.00
ADMINISTRATIVE CLERK	E-21	0.50	1	0.50	1	0.00	0.00
COMMUNITY RELATIONS ASSISTANT	E-21	1.00	1	1.00	1	0.00	0.00
COMMUNITY RELATIONS CLERK	E-20	1.00	1	1.00	1	0.00	0.00
PROGRAM COORDINATOR		4.00	5	4.50	5	0.50	2.00
LIBRARIAN		7.00	7	9.00	9	2.00	0.00
LIBRARIAN ASSISTANT		16.00	19	16.00	18	0.00	(1.00)
SENIOR LIBRARY CLERK		1.00	1	1.00	1	0.00	0.00
LIBRARY CLERK		21.00	30	20.00	29	(1.00)	(1.00)
MAINTENANCE ASSISTANT		2.00	2	2.00	2	0.00	0.00
PAGE COORDINATOR		0.00	0	0.00	0	0.00	0.00
SENIOR PAGE		1.00	2	1.00	2	0.00	0.00
PAGES		9.00	18	9.00	18	0.00	0.00
<b>TOTAL PERSONNEL</b>		<b>84.50</b>	<b>108</b>	<b>86.00</b>	<b>109</b>	<b>1.50</b>	<b>1.00</b>

# Rockford Mass Transit District Subsidy

## Mission Statement

The City, along with Federal and State governments, finance the operating deficits of the Rockford Mass Transit District (RMTD) so that it can provide public transit service to city residents.

**Primary Functions** → The primary function of the Rockford Mass Transit District is to provide city residents transit service from 5:00 a.m. to 12:00 a.m. Monday through Friday and 5:30 a.m. to 7:00 p.m. Saturday. Until 7:00 p.m., the service is provided through eleven routes; after that hour, the routes are combined into five to provide evening service with one-hour headways until 11:45 p.m. A final non-scheduled bus then takes all remaining passengers home from the Transfer Center. Special services are also offered on an as-need basis. In addition to offering wheelchair accessible service on all routes, the District also provides demand ride and subscription services to disabled and elderly residents. The District also provides service to Machesney Park and Loves Park, for which it is reimbursed.

## Budget Summary

ROCKFORD MASS TRANSIT DISTRICT SUBSIDY BUDGET SUMMARY						
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)	
CONTRACTUAL	\$1,524,000	\$1,524,000	\$1,524,000	\$1,274,000	(\$250,000)	
TOTAL	\$1,524,000	\$1,524,000	\$1,524,000	\$1,274,000	(\$250,000)	
FUNDING SOURCE	2011 AMOUNT		2011 PERCENTAGE	2012 AMOUNT		2012 PERCENTAGE
GENERAL REVENUES	\$1,524,000		100.0	\$1,274,000		100.0
TOTAL	\$1,524,000		100.0	\$1,274,000		100.0

## Budget Analysis

The 2012 RMTD budget, July 1, 2011, to June 30, 2012, proposes spending \$13,866,043, the same amount as the 2011 budget and an increase of \$1,112,737 (8.7%) over the 2010 actual. Increases in personnel, contractual, supplies, and other expenses account for the increase.

The revenue estimate for 2012 is \$250,000 less than the 2011 budget and \$862,737 greater than the 2010 actual due to state funding increases. The federal contribution decreases \$67,648 (8.9%) and the state subsidy increases \$1,000,950 (12.8%) from the 2010 actual. The area municipalities' contribution is decreased due to a funding decrease from the City of Rockford. Operating revenue from the District is estimated at \$1,710,563. Overall, District revenues account for 14% of the necessary funding with the remaining \$12,155,480 (86%) being provided by the Federal Government, the State of Illinois, and area municipalities.

# Rockford Mass Transit District Subsidy

## Five Year Financial Forecast

The City is committed to financing the operating deficit remaining after Federal and State subsidies have been received. Given the uncertainty of Federal funding, subsidy forecasts are hard to project. However, assuming expenditure increases, stagnant fare box income, decreasing Federal funding, State grants at 55% of expenditures, and that the City would assume the remaining deficits, the following forecast is projected.

The last fare increase was from \$1.00 to \$1.50 in 2009.

ROCKFORD MASS TRANSIT CITY SUBSIDY 2013-2017 FINANCIAL FORECAST (IN 000'S) (CITY FISCAL YEAR)					
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
CITY SUBSIDY	\$1,524	\$1,570	\$1,617	\$1,666	\$1,716

ROCKFORD MASS TRANSIT CITY SUBSIDY 2013-2017 FINANCIAL FORECAST (IN 000'S) (RMTD FISCAL YEAR)					
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
REVENUES					
FEDERAL	\$854	\$953	\$1,060	\$1,060	\$1,065
STATE	9,843	10,289	10,754	11,242	11,753
LOCAL	431	447	463	479	496
CITY	1,798	1,854	1,912	2,085	2,264
OTHER	106	110	114	118	122
	<u>13,032</u>	<u>13,653</u>	<u>14,303</u>	<u>14,984</u>	<u>15,700</u>
DISTRICT	<u>1,697</u>	<u>1,748</u>	<u>1,800</u>	<u>1,854</u>	<u>1,909</u>
	<u>14,729</u>	<u>15,401</u>	<u>16,103</u>	<u>16,838</u>	<u>17,609</u>
EXPENDITURES	<u>15,143</u>	<u>15,829</u>	<u>16,545</u>	<u>17,295</u>	<u>18,081</u>
EXCESS(DEFICIT)	<u>(414)</u>	<u>(428)</u>	<u>(442)</u>	<u>(457)</u>	<u>(472)</u>
BEGINNING BALANCE	<u>1,679</u>	<u>1,405</u>	<u>1,098</u>	<u>780</u>	<u>336</u>
ENDING BALANCE	<u>\$1,265</u>	<u>\$977</u>	<u>\$656</u>	<u>\$323</u>	<u>(\$136)</u>

# Rockford Mass Transit District Subsidy

## Performance Measurements

### Rockford Mass Transit District Ridership 1988-2010

RMTD FY	Daytime Ridership	Change	% Change	Evening Ridership	Change	%Change	Paratransit Ridership	Change	%Change
1988	1,678,121								
1989	1,741,202	63,081	3.8%						
1990	1,728,319	(12,883)	-0.7%						
1991	1,778,670	50,351	2.9%						
1992	1,719,979	(58,691)	-3.3%						
1993	1,545,739	(174,240)	-10.1%						
1994	1,529,703	(16,036)	-1.0%						
1995	1,679,952	150,249	9.8%	62,706					
1996	1,590,645	(89,307)	-5.3%	78,016	15,310	24.4%			
1997	1,465,155	(125,490)	-7.9%	62,331	(15,685)	-20.1%	29,925		
1998	1,375,344	(89,811)	-6.1%	68,980	6,649	10.7%	43,843	13,918	46.5%
1999	1,451,511	76,167	5.5%	81,068	12,088	17.5%	45,932	2,089	4.8%
2000	1,392,464	(59,047)	-4.1%	94,123	13,055	16.1%	39,938	(5,994)	-13.0%
2001	1,442,332	49,868	3.6%	90,791	(3,332)	-3.5%	50,051	10,113	25.3%
2002	1,435,963	(6,369)	-0.4%	85,492	(5,299)	-5.8%	71,023	20,972	41.9%
2003	1,308,266	(127,697)	-8.9%	82,163	(3,329)	-3.9%	100,921	29,898	42.1%
2004	1,229,769	(78,497)	-6.0%	67,107	(15,056)	-18.3%	100,135	(786)	-0.8%
2005	1,188,764	(41,005)	-3.3%	70,871	3,764	5.6%	95,027	(5,108)	-5.1%
2006	1,311,275	122,511	10.3%	85,150	14,279	20.1%	76,371	(18,656)	-19.6%
2007	1,401,914	90,639	6.9%	96,276	11,126	13.1%	76,396	25	0.0%
2008	1,542,965	141,051	10.1%	111,421	15,145	15.7%	91,508	15,112	19.8%
2009	1,632,929	89,964	5.8%	115,074	3,653	3.3%	98,031	6,523	7.1%
2010	1,435,753	(197,176)	-12.1%	86,961	(28,113)	-24.4%	78,119	(19,912)	-20.3%

# **Police Department**

## **Mission Statement**

It is the mission of the Police Department to provide for the safety and welfare of the people of Rockford so they may enjoy the benefits of being secure in their person, property, and state of mind. The Department accomplishes this mission by enforcing the law, preserving peace, preventing crime, controlling traffic, and protecting civil rights and liberties.

**Primary Functions** → There are three primary operating bureaus within the Police Department.

- **Administrative Services** → Administrative Services is responsible for functions in divisions that include evidence and property control, administration, fiscal services, recruiting, research and development, personnel, and records.
- **Field Services** → Field Services is responsible for overseeing the patrol division and a variety of special and operational functions, which includes the K9, school liaison unit, traffic division, support services, M3 Team, and Community Services.
- **Investigative Service** → The Investigative Services Bureau is responsible for training, professional standards, and investigative services in divisions including youth investigations, victim/witness assistance, adult investigations, narcotics, and scientific services.

**2011 Accomplishments** →

- Reduction in overall crime by 3.5% for the year.
- Reorganized internal staffing to better align resources with the Police Pilot District and support continuous process improvement.
- Leveraged resources and created an additional reduction of the Police Department's overall operating budget by 2% for 2011.
- Continued CompStat meetings to the department as a means to improve process improvement and support crime reduction.
- Completed a new Strategic Plan by a committee composed of a cross section of employees within the department.
- Expanded the Volunteer program within the Police Department to further engage the community in crime reduction.

**2012 Goals and Objectives** →

- Expand Closed Circuit Police Cameras, adding at minimum three more cameras.
- Reduce Graffiti incidents by 5%.

## **Police Department**

- Reduce Group A Offenses by 5%.
- Develop Geographic Tracking Program for collection of data.
- Maintain Citizen, Junior, & Youth Academies.
- Enhance training by including more community policing strategies.
- Establish reporting system for the Pilot Geographic Policing District.
- Maintain staff attendance at neighborhood events.

# Police Department

## Budget Summary

POLICE DEPARTMENT BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$34,713,877	\$35,953,231	\$36,122,362	\$36,298,963	\$345,732
CONTRACTS	6,998,266	7,792,349	7,304,682	7,678,800	(113,549)
SUPPLIES	737,360	880,860	704,862	803,280	(77,580)
CAPITAL	40,000	0	0	0	0
TOTAL	<u>\$42,489,503</u>	<u>\$44,626,440</u>	<u>\$44,131,906</u>	<u>\$44,781,043</u>	<u>\$154,603</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
SWORN	305.00	282.00	282.00	282.00	0.00
CIVILIAN	40.00	36.00	36.00	36.00	0.00
TOTAL	<u>345.00</u>	<u>318.00</u>	<u>318.00</u>	<u>318.00</u>	<u>0.00</u>

FUNDING SOURCE	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE
PROPERTY TAXES				
POLICE PROTECTION	\$8,930,790	20.0	\$9,840,600	22.0
POLICE PENSION	4,992,579	11.2	3,710,300	8.3
SCHOOL CROSSING GUARD	10,000	0.0	10,000	0.0
FRINGE BENEFIT REIMURSEMENTS	1,480,633	3.3	1,642,325	3.7
911 FRINGE BENEFIT REIMBURSEMENT	435,610	1.0	449,454	1.0
REPLACEMENT TAXES	776,300	1.7	790,300	1.8
MAGISTRATE FINES	665,000	1.5	640,000	1.4
FEES	488,000	1.1	351,000	0.8
PARKING SYSTEM PURCHASE SERVICES	129,500	0.3	124,600	0.3
FROM OTHER GOVERNMENTS	1,099,356	2.5	1,939,656	4.3
PROPERTY FORFEITURES	26,500	0.1	26,500	0.1
GENERAL REVENUES	<u>25,592,172</u>	<u>57.3</u>	<u>25,256,308</u>	<u>56.4</u>
TOTAL	<u>\$44,626,440</u>	<u>100.0</u>	<u>\$44,781,043</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$44,781,043 represents an increase of \$154,603 (0.35%) from the 2011 budget. Personnel expenses increase \$345,732 including salaries expense (\$170,000) and clothing allowance (\$77,600) due to the concessions by the Police union ending and an increase in weekend on-call pay (\$10,000). Additionally, an increase in IMRF (\$16,100), workers' compensation (\$145,600), health insurance (\$547,900), parking (\$11,700) all due to increases in rates and the wage bases they are applied to. A decrease occurred due to the reorganization of the command structure including a decrease in deputy chief positions from five to three, the addition of an assistant deputy chief and an increase from five to eight lieutenants. Additionally, there was a decrease in police pension contributions (\$505,400) due to State legislation changes to the pension

# Police Department

funding formula, a decrease in retiree health insurance (\$57,200) and a decrease in overtime (\$70,100).

Contractual expenses decrease \$113,549, including decreases in 911 communications expense (\$44,400), communication equipment maintenance expenses (\$170,700), building maintenance (\$83,200), consulting fees (\$9,100), miscellaneous expenses (\$109,000), education/training (\$12,400), vehicle maintenance and repair (\$7,000) and microcomputer expenses (\$147,100). Increases include service contracts (\$194,800) due to StarCom radio system maintenance, other contractual expenses (\$31,300), travel (\$9,100), risk management charges (\$50,900) and fuel due to increasing gas prices (\$184,600). There were several other small increases and decreases within the contractual account group.

Supplies decrease \$77,580 due to a decrease in equipment expenses (\$80,000), in clothing expenses (\$33,100), computer expenses (\$7,400) and general office supplies (\$10,000) that was offset by an increase in small tools expense (\$53,700).

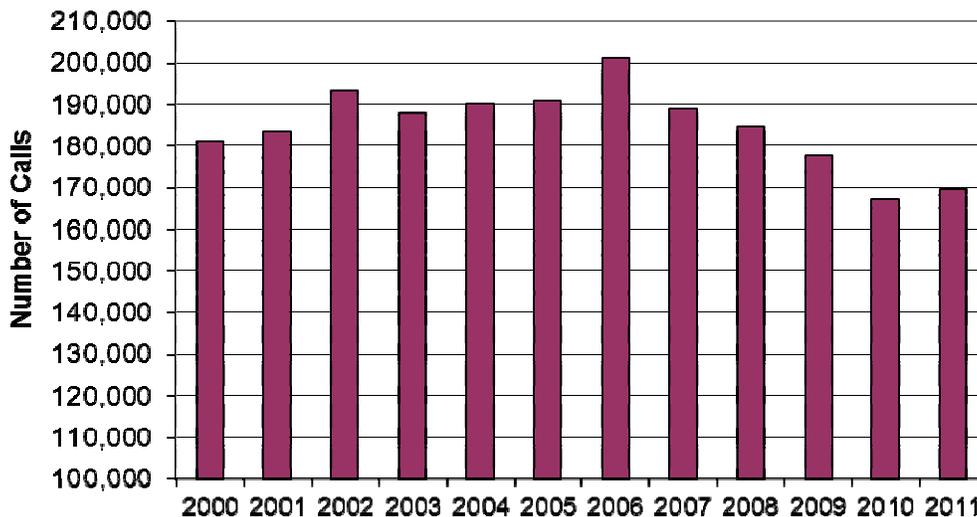
In 2011, the Police Department spent \$44,131,906 or 98.9% of the budget. In the past several years, 95% to 102% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for 2012.

## Information and Statistics

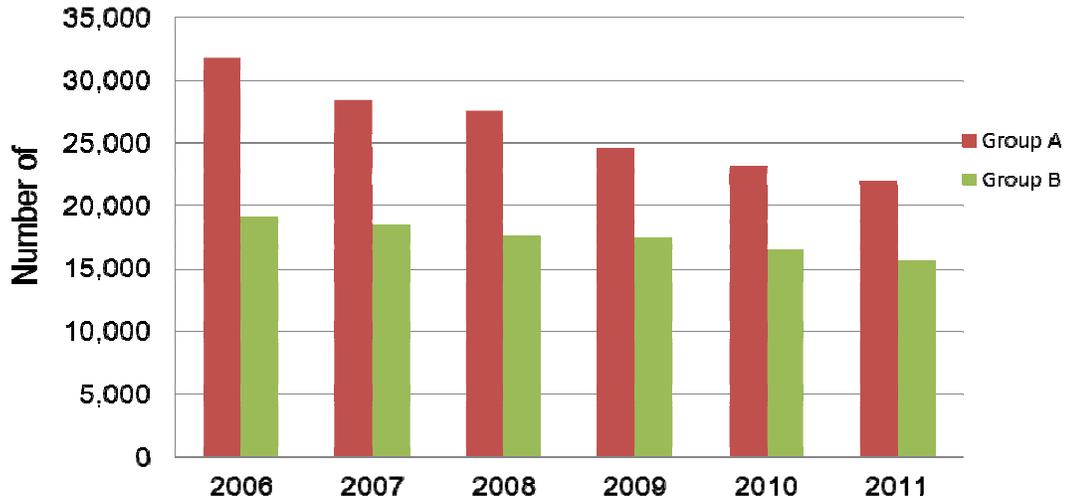
**City of Rockford, Illinois  
Police Department  
Calls For Service: 2000 - 2011**



The chart above demonstrates slight variations in calls over the past ten years. Specifically, there was a spike (6.9%) in 2002 compared to 2000, and a 10.9% increase in 2006 compared to 2000. However, calls are down by 6.3% since 2000. Calls in 2012 are projected to decrease from 2011.

# Police Department

## City of Rockford, Illinois Police Department



As of 2006, the Rockford Police Department records and reports data based on NIBRS (National Incident-Based Reporting System) guidelines. NIBRS criminal offenses are made up of Group A and Group B crimes that include homicide, robbery, assault, burglary, weapon offenses, drug related offenses, criminal damage to property, prostitution, forgery and theft. In 2006, 31,854 Group A Crimes were reported and 19,154 Group B Crimes were reported. As of 2012, the amount of Group A Crimes have decreased by 31% and Group B crimes have decreased by 18.2%. Crimes in 2012 are projected to decrease from 2011's total.

# Police Department

## Personnel Review

<b>POLICE DEPARTMENT</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$21,665,094	\$21,647,098	(\$17,996)
TEMPORARY		0	0	0
OVERTIME		2,398,626	2,328,505	(70,121)
OUT OF CLASS		84,005	93,681	9,676
MERIT PAY		0	0	0
SALARY SAVINGS		(188,000)	0	188,000
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$23,959,725</u></b>	<b><u>\$24,069,284</u></b>	<b><u>\$109,559</u></b>
<b>BENEFITS</b>				
POLICE PENSION		\$5,718,953	\$4,463,520	(\$1,255,433)
OTHER PENSION EXPENSE		(750,000)	0	750,000
ILLINOIS MUNICIPAL RETIREMENT		711,748	727,854	16,106
UNEMPLOYMENT TAX		57,240	57,240	0
WORKER'S COMPENSATION		711,645	857,231	145,586
HEALTH INSURANCE		5,222,464	5,767,242	544,778
RETIREE HEALTH / DISABILITY		64,272	67,392	3,120
RETIREE HEALTH INSURANCE		74,100	16,848	(57,252)
LIFE INSURANCE		24,804	24,804	0
CLOTHING ALLOWANCE		0	77,580	77,580
PARKING BENEFITS		<u>158,280</u>	<u>169,968</u>	<u>11,688</u>
<b>TOTAL BENEFITS</b>		<b><u>\$11,993,506</u></b>	<b><u>\$12,229,679</u></b>	<b><u>\$236,173</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$35,953,231</u></b>	<b><u>\$36,298,963</u></b>	<b><u>\$345,732</u></b>
<b>POSITION TITLE</b>	<b>POSTION RANGE</b>	<b>2011 EMPLOYEES</b>	<b>2012 EMPLOYEES</b>	<b>INCREASE/ (DECREASE)</b>
<b>SWORN</b>				
CHIEF	PS-4	1.00	1.00	0.00
DEPUTY CHIEF	PS-3	5.00	3.00	(2.00)
ASSISTANT DEPUTY CHIEF	PS-2	0.00	1.00	1.00
LIEUTENANT	PS-1	5.00	8.00	3.00
SERGEANT	P-3	32.00	32.00	0.00
INVESTIGATOR	P-2	76.00	81.00	5.00
PATROL OFFICER	P-1	163.00	156.00	(7.00)
<b>CIVILIAN</b>				
CRIME ANALYST	E-8	2.00	2.00	0.00
FINANCIAL ANALYST	E-8	1.00	1.00	0.00
RECORDS SUPERVISOR	E-7	1.00	1.00	0.00
INFORMATION SYSTEMS TECH	E-7	2.00	2.00	0.00
FISCAL SERVICES SPECIALIST	E-6	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASST	E-6	2.00	2.00	0.00
ASSET SEIZURE ANALYST	E-6	1.00	1.00	0.00
ADMINISTRATIVE ASST	E-5	1.00	1.00	0.00
SENIOR OFFICE ASSISTANT	E-4	0.50	0.50	0.00
CITIZEN REPORTING ASSIST.	E-4	5.50	5.50	0.00
POLICE TECHNICIAN	A-22	4.00	5.00	1.00
PROPERTY & EVIDENCE TECHNICIAN	A-22	4.00	3.00	(1.00)
SENIOR CLERK	A-19	3.00	3.00	0.00
DATA ENTRY OPERATOR	A-18	<u>8.00</u>	<u>8.00</u>	<u>0.00</u>
REDUCTION IN FORCE				
<b>TOTAL PERSONNEL</b>		<b><u>318.00</u></b>	<b><u>318.00</u></b>	<b><u>0.00</u></b>

# **Police Department**

## **Performance Measurements**

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Total calls for service	177,688	167,304	169,759	163,321
Total Group A Offenses	24,663	23,169	21,969	20,133
Number of alarms	5,422	5,559	5,202	5,091
Arrests	15,286	13,536	11,893	11,695
Clearance Rate	32.88%	33.40%	35.90%	35.25%

# **Fire Department**

## **Mission Statement**

The mission of the Rockford Fire Department is to protect the lives and property of our citizens and customers by ensuring “Excellence in Services” in fire protection and life safety.

**Primary Functions** → There are three primary operating divisions within the Fire Department.

- **Administrative Services** → Administrative Services provides the administrative and technical services that are necessary to support the operations of the Department.
- **Operations** → The Operations Division is primarily responsible for the eleven fire stations located throughout the City, ambulance service, and disaster management.
- **Fire Prevention/Training** → The Fire Prevention/Training Division is comprised of activities aimed at the prevention of emergencies and fires and administering the Department’s training program. This division is responsible for inspection and code enforcement, arson investigation, public education, and training.

**2011 Accomplishments** →

- Hosted an on-site peer review team to evaluate the Department's application to become an accredited agency.
- Received "Accredited Status" from the Center for Public Safety Excellence.
- The Wellness Committee continued work toward the implementation of the "Wellness and Fitness” initiative.
- Inventoried resources to maintain compliance with the National Incident Management System (NIMS).
- Engine # 4 was designated as a third extrication company to provide better coverage in our community.
- Participated in the "Fun Safe Summer Events" to promote fire prevention activities.
- Continued to explore grant programs to fund Department initiatives.
- Mutual Aid agreements were reviewed and revised.
- Continued on-going efforts to provide personal and professional development programs for Officers and Driver/Engineers.
- Promotional lists for Lieutenant and Fire Inspector were established.
- Integrated Department resources to assist other City departments and private sector entities in an effort improve the response to natural disasters.

## **Fire Department**

- Worked with the Winnebago County Health Department and other outreach services to create a healthier community.
- Reviewed and implemented revisions to the Department's deployment of resources.
- Maintained the Blue Seal of Excellence Recognition from the National Institute for Automotive Service Excellence for Department Maintenance and Repair Shop personnel.
- Maintained Emergency Vehicle Technician (EVT) certifications for all Department Maintenance and Repair Shop personnel.
- Renovated the sprinkler room at the fire burn tower through donated supplies and labor.
- Participated in an Aircraft Rescue and Fire Fighting (ARFF) live burn exercise at O'Hare Airport.
- Sponsored and attended a Friday Night Flix movie, provided fire prevention education to movie attendees.
- Created an Incident Action Plan to address snow storm of 2011.

### **2012 Goals and Objectives →**

- Review and revise the Department's strategic plan.
- Establish an Accreditation working group to maintain necessary requirements for accredited status.
- Pursue grant funding opportunities to even further promote the Department's mission and goals.
- Manage the effects of the South Main Street reconstruction and its impact on the Department.
- Maintain Department's NIMS compliance.
- Conduct Fire Apparatus Engineer certification course as part of effort to maintain a Driver/Engineer eligibility list.
- Continue Department-wide effort to improve the wellness and fitness of personnel.
- Evaluate Department to improve the delivery of services and improve response times.
- Continue to work with other City departments to ensure the needs of the community are met during a disaster.
- Maintain the ASE "Blue Seal of Excellence" and certifications relevant to EVT Certifications.
- Expand public education activities to reduce injury and property loss due to fires.
- Implement on-line training programs for all Department personnel.

# Fire Department

## Budget Summary

FIRE DEPARTMENT BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$34,588,526	\$35,218,079	\$35,198,459	\$35,570,898	\$352,819
CONTRACTUAL	2,793,097	2,522,220	3,226,571	2,856,132	\$333,912
SUPPLIES	741,002	680,447	762,429	619,070	(\$61,377)
OTHER	3,657	0	0	0	\$0
CAPITAL	<u>407,795</u>	<u>0</u>	<u>225,843</u>	<u>0</u>	<u>\$0</u>
TOTAL	<u>\$38,534,077</u>	<u>\$38,420,746</u>	<u>\$39,413,302</u>	<u>\$39,046,100</u>	<u>\$625,354</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
SWORN	274.00	274.00	271.00	273.00	2.00
CIVILIAN	8.00	8.00	7.00	7.00	0.00
TOTAL	<u>282.00</u>	<u>282.00</u>	<u>278.00</u>	<u>280.00</u>	<u>2.00</u>

FUNDING SOURCE	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE
PROPERTY TAXES				
FIRE PROTECTION	\$9,021,000	25.6	\$9,021,000	23.1
FIRE PENSION	5,881,090	10.9	4,175,635	10.7
FRINGE BENEFIT REIMBURSEMENTS	1,303,507	2.7	1,688,576	4.3
911 FRINGE BENEFIT REIMBURSEMENT	121,927	0.2	150,606	0.4
REPLACEMENT TAX	931,600	2.6	948,400	2.4
AMBULANCE CHARGES	4,400,000	7.9	4,060,000	10.4
OTHER CHARGES	630,000	0.2	280,000	0.7
AIRPORT REIMBURSEMENT	905,800	0.0	905,800	2.3
GENERAL REVENUES	<u>14,319,042</u>	<u>49.3</u>	<u>17,816,083</u>	<u>45.6</u>
TOTAL	<u>\$37,513,966</u>	<u>100.0</u>	<u>\$39,046,100</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget is \$39,046,100, which is an increase of \$625,354 (1.6%) over 2011. Personnel costs increase \$352,819 overall. Salaries increased \$1,494,000 due to wage increases awarded in 2011, offset by retirements and reducing wages for vacant firefighter positions. In addition, two fire inspector positions were added back to the budget in accordance with the collective bargaining agreement. A supplemental appropriation adjustment in 2011 reduced wages for a number of vacant positions, those have been reinstated for 2012. Overtime expense increases \$155,000 to cover hirebacks related to vacant positions. The pension budget decreased \$1,213,600 overall due to funding changes at the State level. IMRF (\$29,900) and workers compensation (\$356,600), and health insurance (\$152,600) increased as a result of the increased salaries and rate increases.

Contractual services increased \$333,912. Internal service charges increased for fuel (\$87,100), 911 communications (\$74,300), risk management (\$46,300), IT services (\$56,800), building rental (\$13,800), and telephone and wireless (\$105,300), all due to rate increases or reallocation

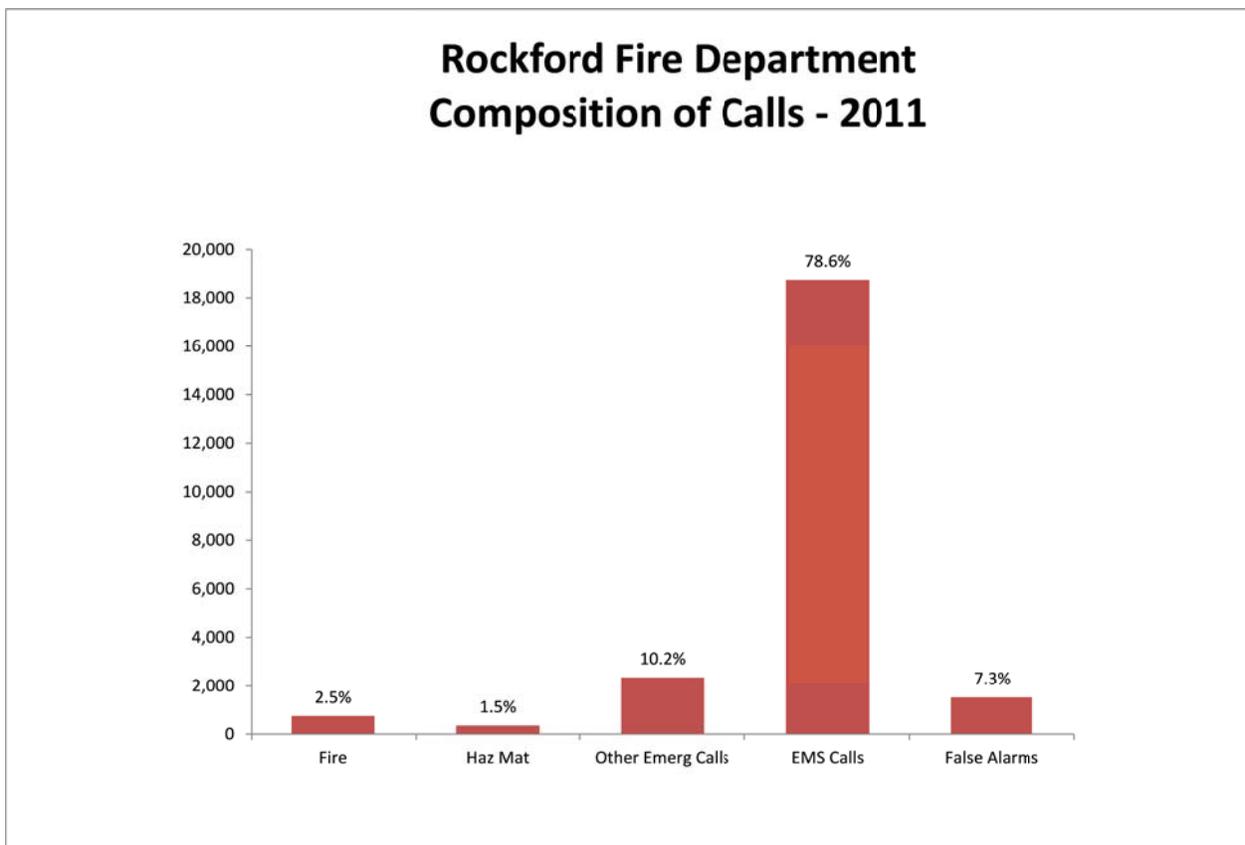
# Fire Department

of expenses. Other increases occurred in equipment rental (\$14,700), and travel (\$16,400). Decreases included \$50,000 in service contracts, as some expenses were shifted to other accounts and building utilities at \$28,000 to reflect actual expense. Advertising expenses were eliminated at \$15,000, and office equipment maintenance at \$10,000.

The supply budget decreased \$61,377 overall, with a number of adjustments. Clothing expense decreased \$45,800 and computer noncapital decreased \$20,500 to reflect actual usage. Medical supplies also decreased \$13,000. Increases occurred in office supplies (\$11,900) and building supplies (\$5,100).

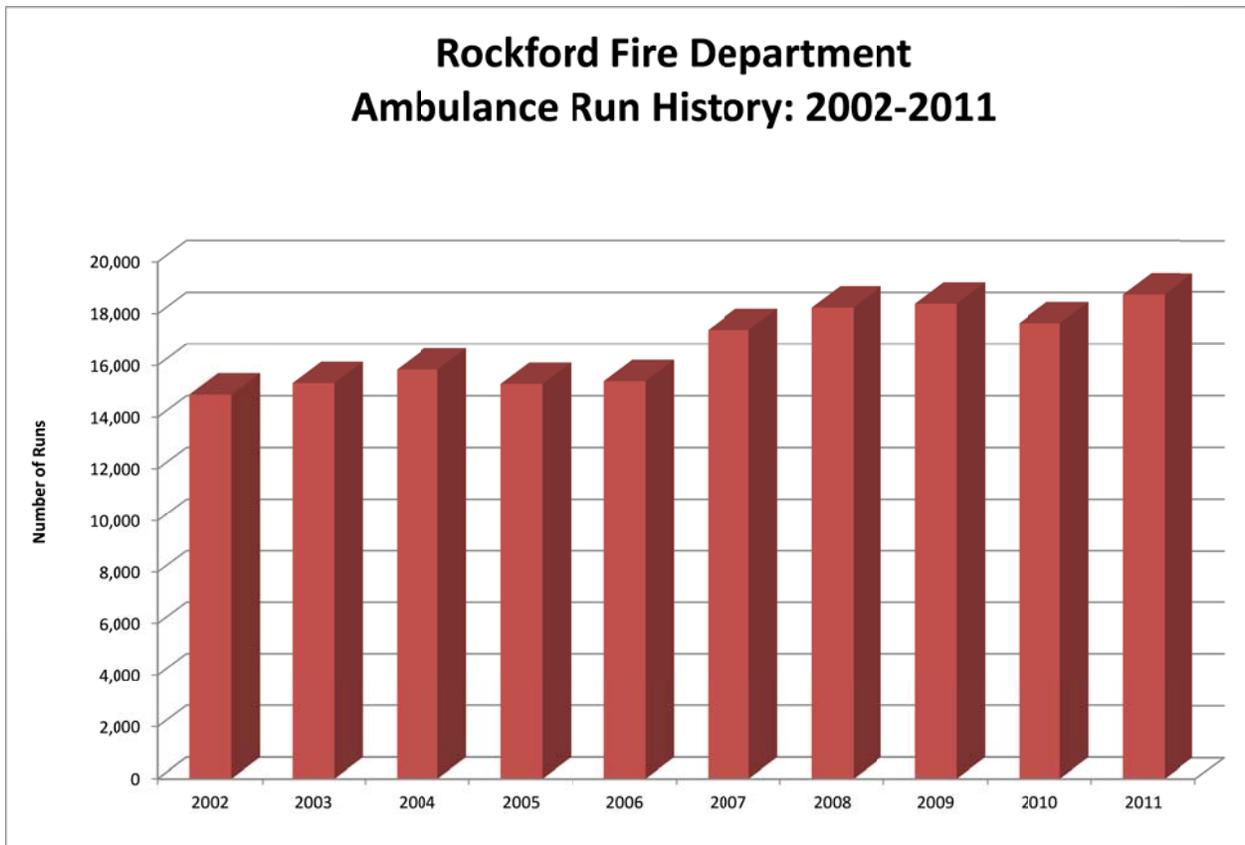
In 2011, the Fire Department spent \$39,413,302 or 102.6% of its budgeted allocation. In the past several years, 97% to 101% of the budget has been spent.

## Information and Statistics



In responding to calls, the Fire Department currently has eleven fire stations with thirteen fire companies – eight engines, three quints, two ladder companies, and two quick response vehicles, or QRV’s – in addition to five ambulances.

## Fire Department



Over the last ten years, calls have remained fairly steady at an average of 16,700, with variance from year to year.

### **Capital Equipment**

No capital purchases are budgeted for 2012.

# Fire Department

## Personnel Review

<b>FIRE DEPARTMENT</b>				
<b>BENEFITS AND SALARIES</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>	
<b>SALARY</b>	<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>		
PERMANENT	\$18,543,600	\$20,038,077	\$1,494,477	
OVERTIME	2,580,870	2,736,000	155,130	
SEVERANCE PAY	160,000	160,000	0	
OUT OF CLASSIFICATION PAY	167,000	167,000	0	
MERIT PAY	0	0	0	
SALARY SAVINGS	0	0	0	
SALARY ADJUSTMENT	572,690	0	(572,690)	
PAGER ALLOWANCE	<u>24,784</u>	<u>24,784</u>	<u>0</u>	
<b>TOTAL SALARIES</b>	<b><u>22,048,944</u></b>	<b><u>23,125,861</u></b>	<b><u>1,076,917</u></b>	
<b>BENEFITS</b>				
FIRE PENSION	\$7,045,842	\$5,082,279	(\$1,963,563)	
OTHER PENSION EXPENSE	(750,000)	0	750,000	
ILLINOIS MUNICIPAL RETIREMENT	362,281	379,757	17,476	
UNEMPLOYMENT TAX	50,040	48,600	(1,440)	
WORKMEN'S COMPENSATION	942,756	1,260,219	317,463	
HEALTH INSURANCE	5,245,656	5,391,256	145,600	
HEALTH INSURANCE/DISABILITY	68,796	75,816	7,020	
RETIREE HEALTH INSURANCE	120,510	126,360	5,850	
LIFE INSURANCE	21,684	21,060	(624)	
CLOTHING ALLOWANCE	<u>61,570</u>	<u>59,690</u>	<u>(1,880)</u>	
<b>TOTAL BENEFITS</b>	<b><u>13,169,135</u></b>	<b><u>12,445,037</u></b>	<b><u>(724,098)</u></b>	
<b>TOTAL COMPENSATION</b>	<b><u>35,218,079</u></b>	<b><u>35,570,898</u></b>	<b><u>352,819</u></b>	
<b>PERSONNEL</b>				
<b>POSITION TITLE</b>	<b>POSTION RANGE</b>	<b>2011 EMPLOYEES</b>	<b>2012 EMPLOYEES</b>	<b>INCREASE/ (DECREASE)</b>
FIRE CHIEF	FS-4	1.00	1.00	0.00
DIVISION CHIEF	FS-3	3.00	3.00	0.00
DISTRICT CHIEFS	FS-2	6.00	6.00	0.00
EQUIPMENT/SAFETY MANAGER	FS-1	1.00	1.00	0.00
FIRE ANALYST	E-8	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT	E-5	1.00	1.00	0.00
CAPTAIN	F-6	18.00	18.00	0.00
LIEUTENANT	F-5	28.00	28.00	0.00
FIRE INSPECTOR	F-4	4.00	6.00	2.00
DRIVER ENGINEER	F-3	45.00	45.00	0.00
FIREFIGHTER	F-1	165.00	165.00	0.00
FIRE EQUIPMENT SPECIALIST	F-1	2.00	2.00	0.00
SENIOR CLERK	A-19	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>278.00</u></b>	<b><u>280.00</u></b>	<b><u>2.00</u></b>

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Total Calls for Service	23,663	22,839	23,737	24,501
Number of Fire Investigations	268	216	195	167
Total number of fire calls	688	564	753	724
Total number of ambulance runs	18,391	17,958	19,559	20,001

# **911 Communications**

## **Mission Statement**

It is the mission of the 911 Communications Fund to provide the highest quality of communication services for public safety in the most efficient and effective manner possible.

**Primary Functions** → The 911 Division handles both emergency and non-emergency calls for the City of Rockford through the call handling and dispatch process. 911 personnel handle crimes in progress, medical and fire calls, while interacting with the various police and fire agencies that respond to these incidents. The 911 Division also maintains computer aided dispatch or CAD records as well as phone and radio recordings as mandated.

### **2011 Accomplishments** →

- Conducted evacuation drills at both City and County PSAPs.
- Monthly drills were completed to ensure interoperability between all agencies using analog and digital communications.
- Implemented new testing software to evaluate candidates testing for new telecommunicator positions.
- Evaluated the requirements of NG911 (Next Generation 911) and how future upgrades will impact the present Public Safety Answering Point.
- Additional telecommunicators were hired and trained in an effort to reduce overtime.
- Evaluated the call taking process to identify methods that could decrease response times for Fire and Police services.
- Support TIC-P activities to improve inter-operability.
- Continue partnership with Police Department to ensure the Department's needs are met.
- Conducted mandatory training as required by the Illinois Department of Public Health.

### **2012 Goals and Objectives** →

- Conduct evacuation drills at both City and County PSAPs.
- Conduct monthly drills to ensure interoperability between all agencies using analog and digital communications.
- Work with Motorola to replace the aging and obsolete "Tandem Server".
- Work towards the reduction of overtime.

## **911 Communications**

- Research requirements of NG911 (Next Generation 911) and how future upgrades will impact the present Public Safety Answering Point.
- Implement a cover shift to deal with peak call volume based statistical analysis.
- Continue to identify methods that could decrease response times for Fire and Police services, through existing or new processes.
- Follow through on plans to meet "narrow banding" requirements in 2013 by replacing base station and repeater equipment.
- Continue partnership with Police Department to ensure needs are met.
- Maintain training requirements as prescribed by the Illinois Department of Public Health.
- Work to identify options for employee parking of those personnel working in the PSAP.
- Formulate 911 user group for the improvement of CAD system and other issues that directly impact call handling and dispatching.
- Continued involvement with INENA Region III committee on NG911 issues.

# 911 Communications

## Budget Summary

911 COMMUNICATIONS FUND BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$4,934,072	\$5,095,113	\$5,276,685	\$5,105,095	\$9,982
CONTRACTUAL	137,779	143,345	147,995	153,190	9,845
SUPPLIES	6,239	10,760	9,721	8,650	(2,110)
OTHER	0	0	0	0	0
TOTAL	\$5,078,090	\$5,249,218	\$5,434,401	\$5,266,935	\$17,717
INCREASE ADJUSTED FOR ENCUMBRANCE IS:			\$17,717		

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
TOTAL	53.00	53.00	53.00	53.00	0.00

FUNDING SOURCE	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE
PURCHASE OF SERVICES				
POLICE DEPARTMENT	\$3,445,519	65.6	\$3,401,055	64.6
ETS BOARD	248,357	4.7	234,050	4.4
COUNTY	570,400	10.9	570,400	10.8
	4,264,276	81.2	4,205,505	79.8
FIRE ALARM	984,942	18.8	1,061,430	20.2
TOTAL	\$5,249,218	100.0	\$5,266,935	100.0

## Budget Analysis

The 2012 budget is \$5,266,935, an increase of \$17,717 (0.3%) over the previous year. Personnel costs increased \$9,982. Salaries decreased \$57,200 as a result of personnel changes, offset by an increase in IAFF telecommunicator wages. Health insurance increased \$64,200, IMRF \$1,200, worker's compensation \$1,600 and parking \$1,900, all as a result of rate increases.

Contractual costs increased \$9,845, due to small adjustments in internal service charges. The supply accounts decreased \$2,110 to reflect actual expense.

Prior to 2006, call taking and dispatch expenses for the Police and the Sheriff's Departments were previously paid 60% by the City and 40% by the County. The County had also paid the salary and benefits of the 911 Manager and telephone expenses, while the Fire Department was responsible for the Fire 911 dispatch and personnel expenses. In 2006, driven by the need to upgrade call taking/dispatch technology, the Emergency Telephone System Board (911 Board) completed an \$11 million project that consisted of extensive renovations to the existing center. In addition to the renovation, the construction of a new call/dispatch center for the Sheriff's Department was undertaken in order to provide state of the art dispatch and call taking services. The effect of this decentralization in 2007 was realized as a \$1.6 million loss in revenue for the 911 dispatch center. As outlined by the existing agreement that went into effect in 2007, the County continues to fund two 24 hour a day, 7 days a week call-taker positions at a total expense of \$570,400 to the County that serves as revenue for the City. Not a significant change from previous years, the 911 Board will

# **911 Communications**

fund the total cost of the MSAG Coordinator position and fifty percent of the cost of the Communication Manager and Training Supervisor positions as funds are available. The current budgeted contribution amount from the 911 Board is \$234,050.

Police call taking and dispatch expenses for 2012 are \$3,401,055 and Fire dispatch is \$1,061,430 (total City expense \$4,462,485).

The fifty-cent surcharge, which is assessed on each land-based and cellular line, is currently collected by the County and averages approximately \$142,000 per month. It is used to pay for debt service and various operating expenses.

In 2011, the 911 Communications fund spent \$5,434,401, or 103.5% of its budgeted allocation. Over the past several years, 95% to 106% of the budget has been spent.

## **Five Year Forecast**

The 2013-2017 five year forecast assumes annual increases of five percent for personnel, three percent for contractual and supplies, and five percent for capital equipment. The revenue stream had previously been sixty-percent City and forty-percent County after certain costs were paid directly by the County 911 Fund. In lieu of the separation of dispatch facilities between the City and County dispatchers, the revenue stream is now primarily funded by the City, with only a portion of funds reimbursed by the ETS Board and the County.

911 COMMUNICATIONS FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$5,530,282	\$5,823,387	\$6,132,026	\$6,457,024	\$6,799,246
Expenditures	<u>5,530,282</u>	<u>5,823,387</u>	<u>6,132,026</u>	<u>6,457,024</u>	<u>6,799,246</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

# 911 Communications

## Personnel Review

911 COMMUNICATIONS FUND				
BENEFITS AND SALARIES	2011	2012	INCREASE/ (DECREASE)	
SALARY	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>	
PERMANENT	\$3,076,246	\$3,019,040	(57,206)	
TEMPORARY	0	0	0	
OVERTIME	480,250	480,250	0	
MERIT PAY	0	0	0	
SALARY ADJUSTMENT	0	0	0	
<b>TOTAL SALARIES</b>	<u>\$3,556,496</u>	<u>\$3,499,290</u>	<u>(57,206)</u>	
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT	\$727,659	\$728,902	1,243	
UNEMPLOYMENT TAX	9,540	9,540	0	
WORKMEN'S COMPENSATION	8,180	9,798	1,618	
HEALTH INSURANCE	752,024	816,218	64,194	
RETIREE HEALTH INSURANCE	0	0	0	
LIFE INSURANCE	4,134	4,134	0	
PARKING BENEFITS	27,840	29,733	1,893	
CLOTHING ALLOWANCE	9,240	7,480	(1,760)	
<b>TOTAL BENEFITS</b>	<u>\$1,538,617</u>	<u>\$1,605,805</u>	<u>67,188</u>	
<b>TOTAL COMPENSATION</b>	<u>\$5,095,113</u>	<u>\$5,105,095</u>	<u>9,982</u>	
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	<b>(DECREASE)</b>
911 COMMUNICATIONS MANAGER	E-10	1.00	1.00	0.00
TRAINING SUPERVISOR	E-8	0.00	1.00	1.00
TELECOMMUNICATIONS SUPERVISOR	E-7	5.00	4.00	(1.00)
COMPUTER SERVICES COORDINATOR	E-8	1.00	1.00	0.00
ASSISTANT SHIFT SUPERVISOR	A-28	4.00	4.00	0.00
MSAG COORDINATOR	A-24	1.00	1.00	0.00
TELECOMMUNICATOR	A-23	40.00	40.00	0.00
SENIOR CLERK	A-19	1.00	1.00	0.00
<b>TOTAL PERSONNEL</b>		<u>53.00</u>	<u>53.00</u>	<u>0.00</u>

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Total non-emergency calls	119,097	112,076	109,984	108,544
Total emergency calls	120,247	119,200	126,613	133,000
Total police dispatches	159,703	167,305	174,368	181,343
Total fire dispatches	24,425	23,539	25,440	25,590

# Board of Fire and Police Commissioners

## Mission Statement

It is the mission of the Board of Fire and Police Commissioners to recruit and promote the best available persons possible for sworn positions with the Rockford Fire and Police Departments.

**Primary Functions** → The primary function of the Board of Fire and Police Commissioners is to select sworn personnel in accordance with the employment policy of the City of Rockford, as well as to investigate and conduct hearings regarding complaints alleged against any sworn member of the Rockford Fire and Police Departments.

### 2011 Accomplishments →

- Began testing for Fire applicants and developed an eligibility list for hiring.
- Began testing for Police applicants and developed an eligibility list for hiring.
- Began testing for Police sergeants and developed an eligibility list for hiring.
- Began testing for Police lieutenants and developed an eligibility list for hiring.

### 2012 Goals and Objectives →

- Begin testing for Police applicants and develop an eligibility list for hiring.
- Begin testing for Fire inspectors and develop an eligibility list for hiring.

### Budget Summary

<b>BOARD OF FIRE AND POLICE COMMISSIONERS</b>						
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)	
PERSONNEL	\$10,500	\$10,500	\$10,167	\$10,500	\$0	
CONTRACTUAL	94,376	132,635	118,809	74,275	(58,360)	
SUPPLIES	600	2,300	2,229	2,300	0	
TOTAL	<u>\$105,476</u>	<u>\$145,435</u>	<u>\$131,205</u>	<u>\$87,075</u>	<u>(\$58,360)</u>	
<b>FUNDING SOURCE</b>			2011 <u>BUDGET</u>	2011 <u>PERCENT</u>	2012 <u>BUDGET</u>	2012 <u>PERCENT</u>
GENERAL REVENUES			<u>\$145,435</u>	<u>100.0</u>	<u>\$87,075</u>	<u>100.0</u>

# **Board of Fire and Police Commissioners**

## **Budget Analysis**

The 2012 budget of \$87,075 reflects a \$58,360 decrease (40.1%) from the 2011 budget due to no testing being required for Police sergeants and lieutenants as well as firefighters. The Board of Fire and Police Commissioners anticipate expending \$31,500 for testing. This budget includes \$23,500 for entry level Police exams and \$8,000 for promotional exams for Fire inspectors.

Police and Fire staff time and certain contractual expenses are budgeted directly in the respective departments. In addition to the Commission's \$87,075 budget, each department's recruiting costs will range from approximately \$61,000 to \$150,000 for 2012.

In 2011, the Board of Fire and Police Commissioners spent \$131,205. Over the past several years, 46% to 112% of the budget has been spent.

# **Public Works–Administration**

## **Mission Statement**

It is the mission of the Public Works Administration Section to provide direction and administrative support to the Department of Public Works

**Primary Functions** → The primary function of the Administrative Section is to manage, supervise, and provide technical and clerical support to the entire Public Works Department's operating divisions.

### **2011 Accomplishments** →

- Continued to support staff by providing and analyzing data for Rockstat.
- Continued cross training in areas of customer service in all aspects of right-of-way issues.
- Continued cross training Public Works staff in Hansen customer service module.
- Provided support to staff in the creation of 2011 and 2012 ward capital plans.
- Created an OSHA Safety Compliance Committee and provided support to staff involved.

### **2012 Goals and Objectives** →

- Support staff in the development of 2012 and 2013 ward capital plans.
- Complete standard operating procedures for all areas of work in the Division.

# Public Works–Administration

## Budget Summary

PUBLIC WORKS ADMINISTRATION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$464,492	\$268,922	\$315,800	\$271,231	\$2,309
CONTRACTUAL	62,181	58,590	61,640	72,560	13,970
SUPPLIES	6,833	5,100	3,713	5,100	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$533,506</u>	<u>\$332,612</u>	<u>\$381,153</u>	<u>\$348,891</u>	<u>\$16,279</u>

STAFFING REVIEW	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE <u>(DECREASE)</u>
TOTAL	4.50	3.50	2.00	2.00	0.00

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
FRINGE BENEFIT REIMBURSEMENTS	\$48,219	14.5	\$42,602	12.2
INTERDIVISIONAL PURCHASE OF SERVICES	241,100	72.5	256,300	73.5
GENERAL REVENUES	<u>43,293</u>	<u>13.0</u>	<u>49,989</u>	<u>14.3</u>
TOTAL	<u>\$332,612</u>	<u>100.0</u>	<u>\$348,891</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget is \$348,891, which is an increase of 4.9% from the previous year. Personnel costs increase \$2,300 due to increases in fringe benefit rates.

Contractual costs increase \$14,000 overall, primarily due to an increase in IT charges, based on a reallocation. The supply group remains unchanged.

In 2011, the Administration Division spent \$381,153 or 115% of its budget allocation. In the past years, 88% to 104% of the budget has been spent.

## Capital Equipment

Capital equipment is not budgeted in 2012.

# Public Works–Administration

## Personnel Review

<b>PUBLIC WORKS ADMINISTRATION DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$191,007	\$191,007	\$0
TEMPORARY		0	0	0
OVERTIME		0	0	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$191,007</u></b>	<b><u>\$191,007</u></b>	<b><u>\$0</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$39,080	\$39,787	\$707
UNEMPLOYMENT TAX		360	360	0
WORKMEN'S COMPENSATION		439	535	96
HEALTH INSURANCE		36,920	38,870	1,950
LIFE INSURANCE		156	156	0
PARKING BENEFITS		<u>960</u>	<u>516</u>	<u>(444)</u>
<b>TOTAL BENEFITS</b>		<b><u>\$77,915</u></b>	<b><u>\$80,224</u></b>	<b><u>\$2,309</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$268,922</u></b>	<b><u>\$271,231</u></b>	<b><u>\$2,309</u></b>
<b>PERSONNEL</b>				
<b>POSITION TITLE</b>	<b>POSTION <u>RANGE</u></b>	<b>2011 <u>EMPLOYEES</u></b>	<b>2012 <u>EMPLOYEES</u></b>	<b>INCREASE/ (DECREASE)</b>
DIRECTOR	E-15	1.00	1.00	0.00
PW SUPERINTENDENT	E-12	1.00	1.00	0.00
<b>TOTAL PERSONNEL</b>		<b><u>2.00</u></b>	<b><u>2.00</u></b>	<b><u>0.00</u></b>

# **Public Works–Engineering Division**

## **Mission Statement**

**Primary Functions** → The primary function of the Engineering Division is to provide design services and construction management for all capital construction projects. This Division is also charged with the review and approval of plans for single site and subdivision development, permitting work within the public right-of-way, and record keeping of the City's infrastructure.

Traffic engineering analyses related to the safe and efficient movement of people and goods within the City, accident crash analysis for signaled and un-signalized intersections safety analysis for schools, geometric design of existing and planned roadways and intersections including support of the land development process, and street lighting analysis for all citizen requests.

## **2011 Accomplishments** →

- Applied for and received an additional \$4 million from FEMA and DCEO for flood mitigation.
- Continued inspections and database entry of the City's storm sewer system and other infrastructure.
- Improved flood affidavit reporting system within GIS.
- Developed water inspection work order map within SharePoint and GIS.
- Developed storm inspection application with GIS.
- Developed Rockford utility map (online based) within GIS.
- Continued working with IT and Traffic to create an online parking map.
- Completed lighting upgrades to the Concourse Parking Deck.
- Completed large and small wind power assessments for placement of wind turbines.
- Continued scanning as-built drawings of City infrastructure and load into SharePoint to provide better accessibility to records.
- Completed the integration of GIS water services with the water accounts.
- Completed several standard operating procedures and how-to documents.
- Completed Auto-Cad design of water construction projects.
- Completed floor plan Auto-Cad drawings for 75% of the well houses.

## **Public Works–Engineering Division**

- Coordinated the installation of a new 400 ac solar panel field and a power purchase agreement.
- Created a monthly reporting program for construction site inspections.
- Finalized and implemented the Emergency Operations Plan, Public Works Annex and Debris Management Plan.
- Updated Chapter 26 and Chapter 109 of the Code of Ordinances regarding high risk runoff and illicit discharge.
- Created and implemented illicit discharge and high risk runoff site inspections.
- Approved and Implemented the Outdoor Dining Design Guidelines.
- Completed School Crossing Guard Warrant Study.
- Applied for and received two Highway Safety Improvement Program grants.
- Completed Division wide training on Chapter 26, the Subdivision Ordinance, and the Water IEPA permit process.
- Applied for a Safe Routes to School Grant (notification of award will be in late fall of 2011).
- Working with USACE and Illinois State Water Survey on the Hydrology and Hydraulic Study of the Rock River.
- Working with RMAP, HUD, and FEMA on the HUD Sustainability Initiative and Pilot Study for a Regional Storm Water Master Plan.

### **2012 Goals and Objectives →**

- Continue scanning as-built drawings of City infrastructure and load into SharePoint to provide better accessibility to records.
- Continue inspections and database entry of the City's storm sewer system and other infrastructure.
- Complete the traffic sign inventory and replacement program.
- Complete the traffic signal systems inventory and data entry into GIS.
- Finish layer in GIS for private well systems.
- Complete the City's Storm Water Master Plan.
- Create and update layer in GIS for vault locations and water main easements.

## **Public Works–Engineering Division**

- Complete a minimum of two intersection traffic safety studies.
- Complete all standard operating procedures and how-to documents for Division.
- Complete the online parking map.
- Update the County Wide Multi-Hazard Mitigation Plan.
- Continue entering all asset inventory into GIS from the arterial and collector streets videos.
- Continue working with USACE and Illinois State Water Survey on the Hydrology and Hydraulic Study of the Rock River.
- Continue working with RMAP, HUD, and FEMA on the HUD Sustainability Initiative and Pilot Study for a Regional Storm Water Master Plan.
- Design and build Keith Creek Greenway throughout Churchill Park, dependent upon grant funding.
- Continue inspections for industrial illicit discharge of pollutants into our storm sewer.
- Update the Engineering Design Criteria Manual.

# Public Works–Engineering Division

## Budget Summary

PUBLIC WORKS ENGINEERING DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$572,523	\$422,844	\$567,886	\$775,203	\$352,359
CONTRACTUAL	302,103	191,600	176,275	181,715	(9,885)
SUPPLIES	5,788	6,750	2,183	6,750	0
CAPITAL	0	0	0	0	0
TOTAL	<u>\$880,414</u>	<u>\$621,194</u>	<u>\$746,344</u>	<u>\$963,668</u>	<u>\$342,474</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
ENGINEERING	10.00	7.45	5.50	10.00	4.50
CAPITAL PROJECTS	<u>16.30</u>	<u>17.05</u>	<u>18.50</u>	<u>17.00</u>	(1.50)
TOTAL	26.30	24.50	24.00	27.00	3.00

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
FRINGE BENEFIT REIMBURSEMENTS	\$61,266	10.0	\$113,142	11.7
FEES	26,100	4.2	463,800	48.1
OTHER GOVERNMENT	24,000	3.9	24,000	2.5
INTERDIVISIONAL PURCHASE OF SERVICES	246,690	39.7	0	0.0
GENERAL REVENUES	<u>263,138</u>	<u>42.2</u>	<u>362,726</u>	<u>37.7</u>
TOTAL	<u>\$621,194</u>	<u>100.0</u>	<u>\$963,668</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$963,668 is an increase of 55.1% from 2011. Personnel costs increase as a result of shifting engineering staff previously budgeted in the Capital Program and the Water Division to this division. The staff are funded by a transfer from the water fund. Increases occurred in all personnel accounts.

Contractual services decrease \$9,885 from the prior year. The largest decrease occurred in risk management charges, due to a reallocation of costs. A number of small adjustments also occurred. The supplies group remains unchanged.

In 2011, the Engineering Division spent \$746,344 or 120.1% of its budgeted allocation. In the past several years, 67% to 96% of the budget has been spent.

# Public Works–Engineering Division

## Personnel Review

<b>PUBLIC WORKS ENGINEERING DIVISION</b>				
<b>BENEFITS AND SALARIES</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>	
<b>SALARY</b>	<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	<b><u>(DECREASE)</u></b>	
PERMANENT	\$282,276	\$504,359	\$222,083	
TEMPORARY	0	0	0	
OVERTIME	0	0	0	
MERIT PAY	0	0	0	
SALARY ADJUSTMENT	0	0	0	
<b>TOTAL SALARIES</b>	<b><u>\$282,276</u></b>	<b><u>\$504,359</u></b>	<b><u>\$222,083</u></b>	
<b>BENEFITS</b>				
IMRF RETIREMENT	\$57,754	\$105,058	\$47,304	
UNEMPLOYMENT TAX	990	1,800	810	
WORKMEN'S COMPENSATION	2,522	6,284	3,762	
HEALTH INSURANCE	76,232	151,762	75,530	
LIFE INSURANCE	430	780	350	
PARKING BENEFITS	2,640	5,160	2,520	
<b>TOTAL BENEFITS</b>	<b><u>\$140,568</u></b>	<b><u>\$270,844</u></b>	<b><u>\$130,276</u></b>	
<b>TOTAL COMPENSATION</b>	<b><u>\$422,844</u></b>	<b><u>\$775,203</u></b>	<b><u>\$352,359</u></b>	
<b>POSITION TITLE</b>	<b>POSTION <u>RANGE</u></b>	<b>2011 <u>EMPLOYEES</u></b>	<b>2012 <u>EMPLOYEES</u></b>	<b>INCREASE/ (DECREASE)</b>
CITY ENGINEER	E-12	0.50	0.50	0.00
WATER ENGINEER	E-11	0.00	1.00	1.00
ENGINEERING OPERATIONS MANAGER	E-10	0.50	0.50	0.00
STORM WATER PROJECT MANAGER	E-8	0.50	0.50	0.00
PROJECT MANAGER	E-8	0.50	0.50	0.00
ASST OPERATIONS MANAGER	E-8	0.00	1.00	1.00
SENIOR ENGINEERING TECHNICIAN	E-6	0.50	3.50	3.00
ENGINEERING TECHNICIAN	E-5	3.00	1.00	(2.00)
SR OFFICE ASSISTANT	E-4	0.00	1.00	1.00
SENIOR CLERK	A-19	0.00	0.50	0.50
<b>TOTAL PERSONNEL</b>		<b><u>5.50</u></b>	<b><u>10.00</u></b>	<b><u>4.50</u></b>

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Number of ROW/utility permits issued	1,383	1,512	1,235	1,300
Number of engineering plans reviewed	94	70	185	75
Number of right-of-way/other permits issued	240	239	246	200

# **Public Works-Capital Projects Fund**

## **Mission Statement**

It is the mission of the Capital Projects Division to provide community facilities and services through a planned program of infrastructure replacements and additions.

**Primary Functions** → The primary functions of the Capital Projects Division include:

- Planning, development, and management of the City's five-year Capital Improvement Program. This includes setting priorities for infrastructure repair, replacement, and expansion of various facilities, including parking facilities, surface transportation, storm water management, sanitary sewers, and water distribution and production.
- Meeting with various local, state, and federal agencies to secure funding for major projects. This includes preparing grant applications for grant funding to reduce the local public financing burden.
- Implementing projects through negotiation of professional engineering and architectural contracts, preparation of bid specifications for competitive public bidding, administration of consultant and contractor payments, and preparing capital project information to the general public.
- Coordinating administrative activities associated with capital improvement projects, including the development of intergovernmental agreements, the acquisition of right-of-way, the conducting of public meetings, the notification of residents and businesses, the preparation and approval of final project plans and specifications, the recommending of contract awards, and the approval of project related payments and contract change orders.

## **2011 Accomplishments**

- Successfully started construction on the Riverwalk – Museum Campus on schedule.
- As part of the City-Wide Local Bridge Replacement Program, Central Ave., Fairview Ave., and Stoneridge bridges were all removed and replaced. Reed Ave. and Pierce Ave. bridges will be designed for construction in 2012.
- Spring Brook Rd., the last of the American Reinvestment and Recovery Act resurfacing projects, was completed.
- Completed the design engineering of the 15th Ave. and 9th Ave. signal improvement, E. State St. and Fairview Ave. intersection improvement, and Rockton Ave. and Custer Ave. intersection improvement. All intersections were part of the funds received from IDOT through the Highway Safety Improvement Program (HSIP).
- Major repairs to the Whitman St. Interchange, as well as 6th St.

## **Public Works-Capital Projects Fund**

- Completed approximately 75 blocks of residential resurfacing across every zone in the City. The residential program also included the resurfacing and reconstruction of 5 alleys.
- Reconstructed neighborhood streets Camp Ave. (Sherman St. to Logan St.), 3rd St. (Caitlin to Catlin St. to Gregory St.), Washington St. (E. State St. to 2nd Ave.), and Parkview Terrace (S. Main to End).
- Completed the Phase II property acquisitions and demos on West State St.
- Addressed numerous sidewalk and ADA concerns covering all sectors of the City.
- Continued property acquisitions on the Main and Auburn Roundabout. Also finished designs and began the utility coordination.
- Completed work on several arterial and collector roads across the City.
- Continued to work on the residential drainage concerns throughout the City.
- Completed the purchase of several homes in the Harmon Park area to help improve the drainage in the area.
- Completed Keith Creek demos for Phase I and II for hazard mitigation.
- The Morgan St. Bridge moved forward to Phase III and began the 3 year construction project.

### **2012 Goals and Objectives**

- Continue and complete construction on the Riverwalk – Museum campus.
- Move forward with construction on the Main and Auburn Roundabout.
- Work with IDOT to coordinate the beginning of construction on the South Main St. and West State St. road projects.
- Continue work on regional transportation issues through active participation in the Rockford Metropolitan Agency for Planning (RMAP).
- Continue investment into arterial / collector sidewalk program. Create a neighborhood sidewalk construction program (primarily for areas without sidewalks, but also to fill in gaps in neighborhoods where total sidewalk replacement or development are warranted).
- Assemble and implement a sidewalk transition plan for federal ADA compliance.

## **Public Works-Capital Projects Fund**

- Collect and utilize data on the City's infrastructure systems (including pavement conditions). Move toward an asset management model to focus on infrastructure investment in those areas of greatest need.
- Create a neighborhood program that increases the reliability of the infrastructure in the neighborhoods.
- Continue construction on the Morgan St. Bridge.
- Complete Phase II of the Harrison Ave. corridor project.
- Complete the City's Biennial Bridge Inspection.
- Continue to move forward with city-wide local bridge program.
- Work with IDOT on the Phase I study of the North Main Corridor project.
- Begin the Phase I study and design of the Jefferson St. Bridge.
- Continue drainage improvements in both Harmon Park and Churchill Park.

# Public Works-Capital Projects Fund

## Budget Summary

<b>PUBLIC WORKS CAPITAL PROJECTS DIVISION BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$1,494,571	\$1,553,845	\$1,262,909	\$1,502,488	(\$51,357)
CONTRACTUAL	5,117,497	200,995	5,447,277	345,705	144,710
SUPPLIES	9,806	5,460	23,353	5,460	0
OTHER	2,719,925	304,300	5,538,266	471,580	167,280
CAPITAL	14,741,133	60,760,400	30,267,727	60,517,267	(243,133)
TOTAL	<u>\$24,082,932</u>	<u>\$62,825,000</u>	<u>\$42,539,532</u>	<u>\$62,842,500</u>	<u>\$17,500</u>
ACTUALS EXCLUDE WATER AND PARKING PROJECTS; THESE ARE TRANSFERRED TO THEIR RESPECTIVE FUNDS.					
<b>STAFFING REVIEW</b>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
ENGINEERING	10.00	7.45	5.50	10.00	4.50
CAPITAL PROJECTS	<u>16.30</u>	<u>17.05</u>	<u>18.50</u>	<u>17.00</u>	(1.50)
TOTAL	26.30	24.50	24.00	27.00	3.00
<b>FUNDING SOURCE</b>	2011		2012		2012
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>PERCENTAGE</u>
STATE MOTOR FUEL TAX	3,300,000	5.2	3,000,000	4.8	4.8
LOCAL SALES TAX	14,250,000	22.4	14,900,000	23.7	23.7
WATER REPLACEMENT IMPROVEMENT ACCT	4,050,000	6.4	4,275,000	6.8	6.8
OTHER GOVERNMENTS/PRIVATE	39,525,000	62.0	39,467,500	62.8	62.8
INTERFUND TRANSFERS	<u>2,600,000</u>	<u>4.1</u>	<u>1,200,000</u>	<u>1.9</u>	<u>1.9</u>
TOTAL	<u>\$63,725,000</u>	<u>100.0</u>	<u>\$62,842,500</u>	<u>100.0</u>	<u>100.0</u>
APPROPRIATIONS AND REVENUES MAY NOT MATCH DUE TO MULTIPLE YEAR FINANCING OF CAPITAL PROJECTS.					

## Budget Analysis

For the City, the first year of the five-year capital improvement program becomes part of the current year's budget. Accordingly, the City Council annually determines the composition of the program and includes it when considering the current year's total resources and need. The capital improvement effort is funded by a mix of current revenues from a variety of sources and bond proceeds that are repaid from property taxes, water revenues, and abatements.

The 2012 work program consists of \$59.5 million for transportation, storm water, and economic development. Ongoing projects, already funded in previous years, will continue and incur expenses in 2012 as well. Water system improvements are funded on a cash basis and total \$4.275 million in 2012.

# **Public Works-Capital Projects Fund**

The current program revenues for 2012 are at \$62.8 million, which is 100% of the total revenues. Local sales tax allows for pay as you go financing and provides \$14.9 million in revenue. State motor fuel tax revenues are estimated at \$3.0 million.

The CIP Fund will purchase \$383,200 in direct services from other City departments such as Legal and Finance.

In 2011, the CIP Fund spent \$42,539,532 or 67.7% of its budgeted allocation. In the past several years, 68% to 180% of the budget has been spent.

## **Five Year Financial Forecast**

The 2013-2017 five-year forecast assumes that the City will continue to have a balanced capital replacement and construction program funded by a variety of resources, both long and short term.

CAPITAL PROJECTS FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$64,728	\$66,670	\$68,670	\$70,730	\$72,852
Expenses	<u>64,728</u>	<u>66,670</u>	<u>68,670</u>	<u>70,730</u>	<u>72,852</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

# Public Works-Capital Projects Fund

## Personnel Review

<b>PUBLIC WORKS CAPITAL PROJECTS DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	<b>(DECREASE)</b>
PERMANENT		\$989,834	\$910,471	(\$79,363)
TEMPORARY		22,000	22,000	0
OVERTIME		22,000	22,000	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$1,033,834</u></b>	<b><u>\$954,471</u></b>	<b><u>(\$79,363)</u></b>
<b>BENEFITS</b>				
IMRF RETIREMENT		\$208,705	\$195,918	(\$12,787)
UNEMPLOYMENT TAX		3,330	3,060	(270)
WORKMEN'S COMPENSATION		8,325	13,863	5,538
HEALTH INSURANCE		289,328	325,078	35,750
LIFE INSURANCE		1,443	1,326	(117)
PARKING BENEFITS		<u>8,880</u>	<u>8,772</u>	<u>(108)</u>
<b>TOTAL BENEFITS</b>		<b><u>\$520,011</u></b>	<b><u>\$548,017</u></b>	<b><u>\$28,006</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$1,553,845</u></b>	<b><u>\$1,502,488</u></b>	<b><u>(\$51,357)</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	<b>(DECREASE)</b>
CITY ENGINEER	E-11	0.50	0.50	0.00
CONSTRUCTION PROGRAM MANAGER	E-11	1.00	1.00	0.00
TRAFFIC ENGINEER	E-11	1.00	1.00	0.00
ENGINEERING OPERATIONS MANAGER	E-10	0.50	0.50	0.00
CIP OPERATIONS MANAGER	E-10	1.00	1.00	0.00
STORM WATER PROJECT MANAGER	E-10	0.50	0.50	0.00
PROJECT MANAGER	E-8	2.50	3.50	1.00
ENVIRONMENTAL PROJECT COORDINATOR	E-7	1.00	1.00	0.00
SENIOR CONSTRUCTION TECHNICIAN	E-6	1.00	1.00	0.00
SENIOR ENGINEERING TECHNICIAN	E-6	4.50	3.50	(1.00)
ENGINEERING TECHNICIAN	E-5	2.00	1.00	(1.00)
SENIOR ACCOUNT CLERK	A-21	1.00	1.00	0.00
SENIOR CLERK	A-19	<u>2.00</u>	<u>1.50</u>	<u>(0.50)</u>
<b>TOTAL PERSONNEL</b>		<b><u>18.50</u></b>	<b><u>17.00</u></b>	<b><u>(1.50)</u></b>

# Public Works–Motor Fuel Tax Fund

## Mission Statement

It is the purpose of the Motor Fuel Tax Fund to provide dedicated revenues from taxes on gasoline and diesel sales for road maintenance and construction. Revenues are distributed by the State of Illinois on a per capita basis from its tax on motor fuels. It is the policy of the City to use these user fee taxes on motor fuel sales exclusively for road improvement.

- **Primary Function** → The Motor Fuel Tax Fund is dedicated to road improvements. Based upon the annual requirements of the Capital Projects Fund, funds are transferred from this Fund to the Capital Projects Fund to finance certain construction projects.

## Budget Summary and Analysis

Motor fuel taxes have been generated by a flat rate of cents per gallon, 19.0 for gasoline and 21.5 for diesel fuel, plus a sales tax transfer. With the Illinois First (Fund for Infrastructure, Roads, Schools, and Transit) program adopted by the State in 1999, the sales tax transfer was eliminated April 2000 and certain vehicle registration fees replaced and supplemented this shared state revenue. On a net basis, the City received an additional 18%.

Budgeted revenue for 2012 is \$3,694,400, reflecting no change from the prior year's budget. The estimated revenue for 2011 is \$3,723,930, which is 2.3% below the 2010 actual of \$3,811,673. With a population of 150,115, on a per capita basis, 2010 is \$25.39, and 2011 and 2012 are \$24.61.

<b>MOTOR FUEL TAX FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
TRANSFERS TO					
GENERAL FUND	\$0	\$2,400,000	\$2,400,000	\$1,200,000	(\$1,200,000)
CAPITAL PROJECTS FUND	<u>2,346,538</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,000,000</u>	<u>(300,000)</u>
TOTAL	<u>\$2,346,538</u>	<u>\$5,700,000</u>	<u>\$5,700,000</u>	<u>\$4,200,000</u>	<u>(\$1,500,000)</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
STATE MOTOR FUEL TAX		\$3,694,400	95.8	\$3,694,400	95.2
INTEREST INCOME		<u>160,000</u>	<u>4.2</u>	<u>187,000</u>	<u>4.8</u>
TOTAL		<u>\$3,854,400</u>	<u>100.0</u>	<u>\$3,881,400</u>	<u>100.0</u>

Interest earnings vary with the amount of money available for investment.

Transfers to the Capital Projects Fund have varied, depending on annual project selection, between \$640,000 and \$4.78 million. Expenditures in 2010 were \$2,346,538. The 2012 budget calls for \$3.0 million in transfers to the Capital Projects Fund and \$1,200,000 to the General Fund for eligible street lighting expenses. The General Fund, in turn, will transfer \$1,200,000 to the Capital Projects Fund for projects.

## Public Works–Motor Fuel Tax Fund

The City had its own one cent per gallon gas and diesel fuel tax enacted in 1979 under its former home rule powers with a sunset provision at the end of 1985 that generated \$600,000 annually. In 1996 the State gave the City authority to enact by voter approval at referendum, a one cent per gallon tax on motor fuels. To date, the City has not chosen this alternative.

### **Five Year Financial Forecast**

The 2013-2017 five year forecast assumes growth as projected by the State for tax revenues and assumes expenditures essentially equal to annual revenues. The State of Illinois assumes stagnant growth, for the taxes on motor fuels, with an annual deviation of plus or minus two percent influenced by the severity of winter weather and the pump price.

MOTOR FUEL TAX FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$3,871	\$3,862	\$3,851	\$3,841	\$3,830
Expenses	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>
Excess (Deficit)	<u>(329)</u>	<u>(338)</u>	<u>(349)</u>	<u>(359)</u>	<u>(370)</u>
Beginning Balance	<u>6,232</u>	<u>5,903</u>	<u>5,565</u>	<u>5,216</u>	<u>4,857</u>
Ending Balance	<u>\$5,903</u>	<u>\$5,565</u>	<u>\$5,216</u>	<u>\$4,857</u>	<u>\$4,487</u>

# **Public Works–Street Maintenance Division**

## **Mission Statement**

It is the mission of the Street Maintenance Division to clean, regulate, and repair all street right-of-ways within the city limits of the City of Rockford.

**Primary Functions** → The primary function of the Street Maintenance Division includes street cleaning, street maintenance, repairing storm sewers, maintaining trees and turf, ensuring roadways are cleared of snow and ice conditions, and all administrative functions.

- Completing city-wide street sweeping services, all street patching and repair, and road and bridge maintenance.
- Maintenance and repair of all storm sewers, including contracting for inlet repairs and cleaning intakes and lines.
- Trimming and removal of trees, removal of tree stumps, as well as maintenance of drainage ways and other turf areas.
- Responsible for ensuring the streets are free of snow and ice during the winter months.

## **2011 Accomplishments**→

- Outsourced remainder of mowing sites except difficult slopes.
- Addressed 15 inch blizzard during the week of February 1, 2011.
- Addressed spring pothole initiative in three weeks (least amount of man hours utilized in past four years).
- Began pesticide treatment for Emerald Ash Borer on ash trees on City right of ways.
- Continued emphasis on clearing and maintenance of drainage ways in support of Army Corp of Engineers initiatives.

## **2012 Goals and Objectives**→

- Continue to outsource appropriate job functions if staffing levels are further reduced.
- Oversee new outsourced Street Sweeping contract and vehicle and equipment leasing.
- Re-assign Street Sweeping employees to Forestry duties.
- Increase involvement of other Public Works Divisions to staff snow and ice operations to include CD.
- Continue process of tree injection to protect healthy ash trees from the threat of the emerald ash borer. The goal is to treat 10% of the City's 11,000 ash trees over a period of 2 years.

# Public Works–Street Maintenance Division

- Emphasize reduced salt utilization for winter operations.

## Budget Summary

PUBLIC WORKS STREETS AND SEWERS DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$2,798,222	\$2,574,019	\$2,676,775	\$2,381,430	(\$192,589)
CONTRACTUAL	3,447,664	3,842,470	3,812,407	3,574,630	(267,840)
SUPPLIES	1,270,887	1,384,000	1,085,038	1,384,000	0
OTHER	170,320	92,559	19,159	92,559	0
CAPITAL	<u>255</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	\$7,687,348	\$7,893,048	\$7,593,379	\$7,432,619	(\$460,429)

STAFFING REVIEW	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
TOTAL	40.00	38.00	32.00	31.00	(1.00)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
STREET AND BRIDGE	\$2,098,800	28.7	\$2,098,800	28.2
REIMBURSEMENTS	377,081	5.2	385,594	5.2
OTHER GOVERNMENTS	270,000	3.7	270,000	3.6
TRANSFERS FROM OTHER FUNDS	940,300	12.9	1,829,043	24.6
GENERAL REVENUES	<u>3,620,162</u>	<u>49.5</u>	<u>2,849,182</u>	<u>38.3</u>
TOTAL	<u>\$7,306,343</u>	<u>100.0</u>	<u>\$7,432,619</u>	<u>99.9</u>

## Budget Analysis

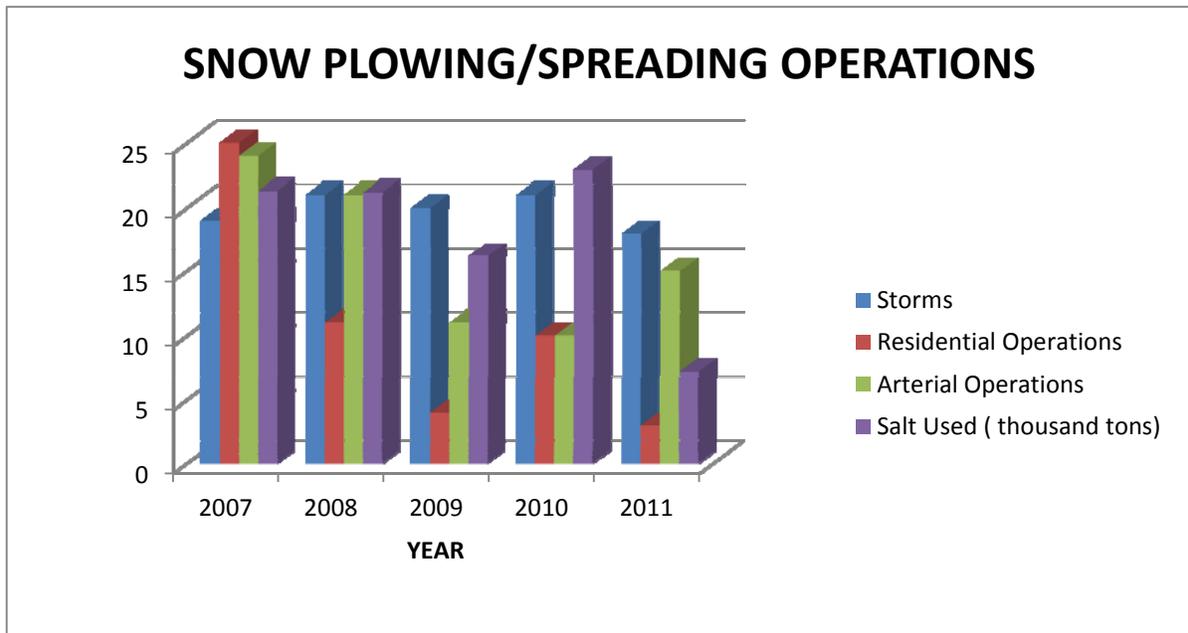
The 2012 budget of \$7,432,619 is a 5.8% decrease over the 2011 budget. Personnel costs decreased \$192,589, due to the shifting of a position to Engineering and reduction of overtime, offset by increases in fringe benefit rates.

Contractual services decrease 7%, primarily due to changes in internal service charges and reductions from supplemental appropriation additions in 2011. The supply and other groups remain unchanged.

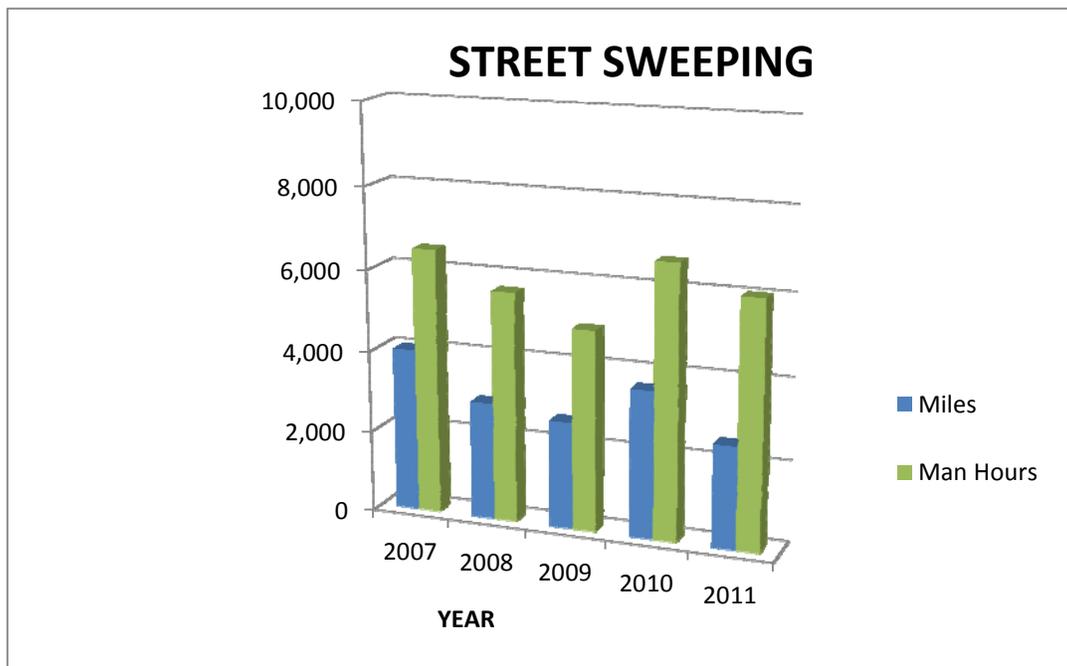
In 2011, the Street Division spent \$7,593,379, or 96.2% of its budgeted allocation. In past several years, 81% to 121% of the budget has been spent.

# Public Works–Street Maintenance Division

## Information and Statistics



As noted earlier, about one-quarter of the Street Division budget is allocated to snow and ice control. Actual expenditures vary significantly depending upon total expected snowfall, temperature, and the type of precipitation that occurs. In the 2010-11 winter season, the Division responded to 22 occurrences.



The division is responsible for sweeping an estimated 3,992 miles of arterial and residential streets, as well as arterial streets in business districts.

# Public Works–Street Maintenance Division

## Personnel Review

<b>PUBLIC WORKS STREET MAINTENANCE DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$1,348,567	\$1,310,328	(\$38,239)
OVERTIME		330,000	180,000	(150,000)
TEMPORARY		36,000	36,000	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		0	0	0
<b>TOTAL SALARIES</b>		<b>\$1,714,567</b>	<b>\$1,526,328</b>	<b>(\$188,239)</b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$346,189	\$313,189	(\$33,000)
UNEMPLOYMENT TAX		5,760	5,580	(180)
WORKMEN'S COMPENSATION		61,837	66,825	4,988
HEALTH INSURANCE		435,136	458,666	23,530
RETIREE HEALTH INSURANCE		8,034	8,424	390
LIFE INSURANCE		2,496	2,418	(78)
<b>TOTAL BENEFITS</b>		<b>\$859,452</b>	<b>\$855,102</b>	<b>(\$4,350)</b>
<b>TOTAL COMPENSATION</b>		<b>\$2,574,019</b>	<b>\$2,381,430</b>	<b>(\$192,589)</b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	
MAINTENANCE SUPERVISOR	E-7	2.00	2.00	0.00
SENIOR EQUIPMENT OPERATOR	A-26	3.00	3.00	0.00
SENIOR TREE TRIMMER	A-26	1.00	1.00	0.00
TREE TRIMMER	A-24	3.00	3.00	0.00
EQUIPMENT OPERATOR	A-23	8.00	8.00	0.00
SENIOR CLERK	A-23	3.00	2.00	(1.00)
SENIOR SECRETARY	A-20	1.00	1.00	0.00
MAINTENANCE WORKER	A-20	11.00	11.00	0.00
<b>TOTAL PERSONNEL</b>		<b>32.00</b>	<b>31.00</b>	<b>(1.00)</b>

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Plowing/spreading occurrences	20	21	18	22
Street sweeping cycles	3.00	3.00	2.50	5.00
Pothole patching (tons used)	3,131	1,868	1,068	1,000
Tree trims	4,136	1,181	865	1,600
Tree plantings	19	28	18	200

# **Public Works–Traffic Division**

## **Mission Statement**

It is the mission of the Traffic Division to regulate all traffic activity on City streets in order to ensure the safety of pedestrians and motorists is provided.

**Primary Functions** → The primary functions of the Traffic Engineering Division include:

- Installation and maintenance of traffic signals, corridor signal systems, emergency vehicle preemption, and special event traffic control equipment.
- Roadway sign fabrication, installation and maintenance for the roadway signs and pavement marking maintenance within the City.
- Repair of City-owned street lighting equipment within the downtown and other outlying business districts.

**2011 Accomplishments** →

- Completed installation of street lights for the Downtown Streetscape project.
- Installed surveillance cameras for the Police Department.
- Installed banner poles for the City Market.
- Implemented the plan to replace all existing school signs City-wide by November.
- Continued to upgrade signage in accordance with mandated changes to the Manual on Uniform Traffic Control Devices, required by 2015.

**2012 Goals and Objectives** →

- Institute phase 1 plan for centralized traffic control center.
- Research and develop a plan to reduce energy consumption for street lights.
- Continue to upgrade traffic lights with LED lights.
- Continue to lay fiber optic cable and improve the surrounding network.
- Continue to upgrade signage for the MUTCD mandate of 2015.

**Budget Summary**

# Public Works–Traffic Division

PUBLIC WORKS TRAFFIC DIVISION BUDGET SUMMARY					
	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$900,254	\$905,045	\$845,434	\$925,607	\$20,562
CONTRACTUAL	3,441,710	3,000,905	3,078,383	2,916,385	(84,520)
SUPPLIES	189,397	266,000	226,282	266,000	0
OTHER	24,300	23,700	23,700	24,000	300
CAPITAL	16,899	0	0	0	0
ENCUMBRANCES	0	0	0	0	0
TOTAL	<u>\$4,572,560</u>	<u>\$4,195,650</u>	<u>\$4,173,799</u>	<u>\$4,131,992</u>	<u>(\$63,658)</u>
INCREASE ADJUSTED FOR ENCUMBRANCES IS:					(63,658)

STAFFING REVIEW					
	2009	2010	2011	2012	INCREASE (DECREASE)
TOTAL	12.40	13.00	11.00	11.00	0.00

FUNDING SOURCE					
	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>	
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS	\$155,297	2.9	\$155,275	2.9	
PURCHASE OF SERVICES	47,900	0.9	24,000	0.5	
FROM OTHER GOVERNMENTS	180,000	3.3	180,000	3.4	
TRANSFERS FROM OTHER FUNDS	2,400,000	44.5	2,400,000	45.0	
GENERAL REVENUES	<u>2,612,453</u>	<u>48.4</u>	<u>2,572,717</u>	<u>48.2</u>	
TOTAL	<u>\$5,395,650</u>	<u>100.0</u>	<u>\$5,331,992</u>	<u>100.0</u>	

## Budget Analysis

The 2012 budget of \$4,131,992 is a \$63,658 (1.5%) decrease from prior year. Personnel costs increase \$20,600 due to rate increases for worker's comp, IMRF, and health insurance, as well as a small increase in wages due to step and longevity increases.

Contractual services decrease \$84,520 overall, primarily due to changes in purchase of services amounts. Telephone and wireless expenses increase \$1,500 due to increased usage. IT charges increased \$4,100 after a reallocation of expenses based on actual support. Fuel increases \$7,300 based on increased costs per gallon, risk management charges increase \$11,800 after reallocation of charges. Finally, central stores charges increase \$4,100. These increases are offset by a building rental decrease of \$52,300 after a reallocation of expenses.

The supplies account group remains unchanged. Other expenses reflect an increase of \$300 for parking purchase of service.

The Division will receive \$120,000 from IDOT for maintenance performed on city-state joint signals and approximately \$60,000 from the County for maintenance performed on their 30 signals. The budget also includes a \$2,400,000 transfer from the Motor Fuel Tax Fund to pay a portion of the street lighting expense, an eligible MFT activity, for both 2011 and 2012.

# Public Works–Traffic Division

In 2011, the Traffic Division spent \$4,173,799 or 99.5% of its budgeted allocation. In the past several years, 65% to 112% of the budget has been spent.

## Capital Equipment

There are no capital items budgeted for 2012.

## Personnel Review

<b>PUBLIC WORKS TRAFFIC DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	<b><u>(DECREASE)</u></b>
PERMANENT		\$572,114	\$579,282	\$7,168
OVERTIME		37,000	37,000	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$609,114</u></b>	<b><u>\$616,282</u></b>	<b><u>\$7,168</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$124,625	\$128,372	\$3,747
UNEMPLOYMENT TAX		1,980	1,980	0
WORKER'S COMPENSATION		28,692	24,923	(3,769)
HEALTH INSURANCE		139,776	153,192	13,416
LIFE INSURANCE		<u>858</u>	<u>858</u>	<u>0</u>
<b>TOTAL BENEFITS</b>		<b><u>\$295,931</u></b>	<b><u>\$309,325</u></b>	<b><u>\$13,394</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$905,045</u></b>	<b><u>\$925,607</u></b>	<b><u>\$20,562</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>(DECREASE)</u></b>
TRANSP/PROP MANAGER	E-8	1.00	1.00	0.00
TRAFFIC SIGNAL SUPERVISOR	E-8	1.00	1.00	0.00
CREW LEADER	A-28	1.00	1.00	0.00
TRAFFIC SIGNAL REPAIRER	A-26	5.00	5.00	0.00
SIGN/MARKING TECHNICIAN	A-22	2.00	2.00	0.00
SENIOR CLERK	A-19	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>11.00</u></b>	<b><u>11.00</u></b>	<b><u>0.00</u></b>

# **Public Works - Parking Division**

## **Mission Statement**

It is the mission of the Parking Division to provide quality parking for a variety of users with differing time needs in the City commercial business districts.

**Primary Functions** → The primary function of the Parking Division is to provide lot maintenance, issue tickets, and collect parking fees in the various facilities of the Motor Vehicle Parking System (MVPS).

### **2011 Accomplishments** →

- Upgraded the Auto Vue automatic plate reading system.
- Installed new sprinkler system in the Church lot as well as new landscaping.
- Helped the Engineering Division upgrade the lighting system for the T-deck.
- Completed city-wide striping plan.
- Completed improvements to the electrical system in Parking Deck T to accommodate the City Market's needs.

### **2012 Goals and Objectives** →

- Install automated collection systems in select parking decks and surface lots.
- Continue efforts to replace signs in accordance with the Manual on Uniform Traffic Control Devices.

# Public Works - Parking Division

<b>PUBLIC WORKS PARKING SYSTEM</b>		<b>TOTAL SPACES</b>
<u>LOT</u>	<u>LOCATION</u>	
<b>West Side</b>		
A	Mulberry/Court/Winnebago	125
B	Wyman-Elm Deck	329
C	Wyman/Park	125
CC	Library/River/Park	23
I	Chestnut/Court/Winnebago	80
L	State-Main Deck	287
P	State-Winnebago	166
S	Concourse Parking Garage	843
W	Wyman/Mulberry/Main	59
WW	Memorial Hall/Library	52
Y	Pioneer Deck	786
SS	Hanley	129
AmCore Lot		50
Block 38 Metro Lease		<u>68</u>
Total West Side CBD		<u>3,122</u>
<b>East Side</b>		
D	City Hall	70
DD	Walnut/2nd Street	14
J	Shumway Market	112
M	East State/Madison	91
N	East State/3rd Street	20
Q	East State, Madison/1st	55
R	East State/2nd Street	17
T	East State/Water Garage	96
TT	200 North Water	15
Church Lot-Leased City Hall		<u>112</u>
Total East Side CBD		<u>602</u>
<b>Broadway</b>		
F	13th Avenue, 7th/8th	86
V	Broadway(1200 Block)	<u>23</u>
Total Broadway Side CBD		<u>109</u>
<b>South Main</b>		
H	South Main/Kent	30
HH	South Main/Morgan	25
K	1000 South Main	30
K1	1000 South Main	<u>15</u>
Total South Main CBD		<u>100</u>
<b>North Main</b>		
G	Latham/King	79
O	Toner/Myott	<u>100</u>
Total North Main CBD		<u>179</u>
<b>7th Street</b>		
EE	1st Avenue, 7th/2nd Ave.	79
X	7th, 2nd/3rd Avenues	<u>28</u>
Total System of 30 lots and 4 garages in six areas		<u>4,219</u>

# Public Works - Parking Division

## Budget Summary

PUBLIC WORKS PARKING DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$519,125	\$519,125	\$502,774	\$490,031	(\$29,094)
CONTRACTUAL	477,950	477,950	359,387	517,545	39,595
SUPPLIES	41,550	41,550	27,455	41,550	0
OTHER	1,315,178	1,314,013	1,157,130	1,318,870	4,857
INTEREST	0	0	0	0	0
TOTAL	<u>\$2,353,803</u>	<u>\$2,352,638</u>	<u>\$2,046,746</u>	<u>\$2,367,996</u>	<u>\$15,358</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
TOTAL	9.00	8.50	8.50	8.50	0.00

FUNDING SOURCE	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE
PARKING FEES	\$1,311,200	65.5	\$1,328,000	67.5
FINES	556,600	27.8	501,020	25.5
RENTAL/INTEREST INCOME	109,900	5.5	112,700	5.7
PURCHASE OF SERVICES	23,700	1.2	24,400	1.3
TOTAL	<u>\$2,001,400</u>	<u>100.0</u>	<u>\$1,966,120</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget is \$2,367,996, which is an increase of \$15,358 (0.65%) over the previous year. Personnel expenses decrease \$29,094 due to the retirement of one full-time and one part-time parking lot attendants and one parking control officer and related IMRF benefits. The decreases were offset by increases in rates for health insurance (\$2,900) and workmen's compensation (\$1,200).

Contractual costs increase \$39,595 (8.28%). Increases in building rental of \$63,600, in building utilities of \$33,800 and in microcomputer expenses of \$7,400 were offset by decreases in lighting utilities of \$20,000, in snow removal of \$2,000, in equipment maintenance of \$4,000, in vehicle repairs of \$8,900, in central stores of \$8,600 and fuel of \$12,000. Risk management charges also decreased by \$10,800 after reallocation of charges.

Supplies remained stable and the other accounts group increased \$4,857 due to an increase in depreciation and a slight increase in the purchases of services from the Police and Finance departments as well as a reduction in debt service.

2012 revenue of \$1,966,120 is a decrease of \$35,300 over the 2011 budgeted revenue of \$2,001,400. Parking fines are expected to drop \$55,600 while a slight increase in Concourse permit revenue (\$10,000) is projected.

The 2012 net is a loss of \$420,486; net of depreciation, it is a gain of \$302,134.

## Public Works - Parking Division

In 2011, the Parking Division spent \$2,046,746, or 87.0% of its budgeted allocation. In the past several years, 90% to 139% of the budget has been spent.

### Five Year Financial Forecast

The 2013-2017 five year forecast for the Parking Fund incorporates current rates, the changes in lots and permits, the expenditures associated with the new facilities and operating cost increases of three to five percent annually. Consideration needs to be given to adjusting the permit and fine structure periodically if lots are to be redone, signage added, and enforcement/payment equipment acquired.

#### PARKING FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,966	\$2,025	\$2,086	\$2,149	\$2,213
Expenses	<u>2,435</u>	<u>2,487</u>	<u>2,542</u>	<u>2,623</u>	<u>2,680</u>
Excess (Deficit)	<u>(469)</u>	<u>(462)</u>	<u>(456)</u>	<u>(474)</u>	<u>(467)</u>
Beginning Balance	<u>16,350</u>	<u>15,881</u>	<u>15,419</u>	<u>14,963</u>	<u>14,489</u>
Ending Balance	<u>\$15,881</u>	<u>\$15,419</u>	<u>\$14,963</u>	<u>\$14,489</u>	<u>\$14,022</u>

### Fixed Assets

There are no fixed assets budgeted for 2012.

# Public Works - Parking Division

## Personnel Review

<b>PUBLIC WORKS PARKING DIVISION</b>				
<b>BENEFITS AND SALARIES</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>	
<b>SALARY</b>	<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	<b><u>(DECREASE)</u></b>	
PERMANENT	\$376,408	\$347,376	(\$29,032)	
TEMPORARY	5,000	5,000	0	
OVERTIME	5,500	5,500	0	
MERIT PAY	0	0	0	
SALARY ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>	
<b>TOTAL SALARIES</b>	<b><u>\$386,908</u></b>	<b><u>\$357,876</u></b>	<b><u>(\$29,032)</u></b>	
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT	\$78,521	\$73,887	(\$4,634)	
UNEMPLOYMENT TAX	1,530	1,530	0	
WORKMEN'S COMPENSATION	6,279	7,523	1,244	
HEALTH INSURANCE	43,784	46,644	2,860	
RETIREE INSURANCE	0	0	0	
LIFE INSURANCE	663	663	0	
PARKING	<u>1,440</u>	<u>1,908</u>	<u>468</u>	
<b>TOTAL BENEFITS</b>	<b><u>\$132,217</u></b>	<b><u>\$132,155</u></b>	<b><u>(\$62)</u></b>	
<b>TOTAL COMPENSATION</b>	<b><u>\$519,125</u></b>	<b><u>\$490,031</u></b>	<b><u>(\$29,094)</u></b>	
<b>PERSONNEL</b>				
<b>POSITION TITLE</b>	<b>POSTION <u>RANGE</u></b>	<b>2011 <u>EMPLOYEES</u></b>	<b>2012 <u>EMPLOYEES</u></b>	<b>INCREASE/ (DECREASE)</b>
PARKING SYSTEMS SUPERVISOR	E-7	1.00	1.00	0.00
PARKING LOT ATTENDANT	A-17	2.50	2.50	0.00
PARKING SYSTEM REPAIRER	A-22	2.00	2.00	0.00
PARKING CONTROL OFFICER	A-19	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>8.50</u></b>	<b><u>8.50</u></b>	<b><u>0.00</u></b>

## Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Total parking spaces	4,504	4,504	4,504	4,504
Total short-term parking leases	1,404	1,404	1,404	1,404
Total long-term parking leases	2,500	2,500	2,500	2,500
Handicapped parking spaces	147	152	155	155
Dollar amount of tickets issued	648,032	527,355	410,290	468,825
Number of tickets issued	24,741	18,268	15,508	16,100

# **Public Works–Property Division**

## **Mission Statement**

It is the mission of the Property Services Division to maintain and operate select City buildings.

**Primary Function**→ Property Maintenance provides maintenance and repair services to City Hall, City Yards, and other municipal locations.

### **2011 Accomplishments** →

- Completed the remodel of the old Credit Union space at City Hall into a wellness center for employee use.
- Renovated the meter storage room at the Water Division’s Cedar Street facility.
- Completed renovations of the 911 Division’s office space.
- Oversaw roofing repairs at City Yards, improving a long-standing leaking problem over the Property Division’s Shop space.
- Oversaw the installation of new fuel pumps at City Yards, replacing approximately forty year old pumps with numerous performance issues.
- Installed new LED, energy efficient lighting on the marquee at the Coronado Theater, reducing both energy consumption and ongoing maintenance expenses related to bulb changes.

### **2012 Goals and Objectives**→

- Complete roof repairs at City Yards over the Central Garage.
- Renovate the Sign Shop space at City Yards for the Traffic Division.
- Select and implement a new property work order system, for better tracking of time, expense and materials, management of preventative maintenance programs, and deployment of staff.
- Complete drainage repair in cold storage space.
- Continue carpet replacement program at City Hall.
- Install a backup generator for the Public Works Administration building at City Yards, for use (when necessary) during snow and ice operations.
- Install additional security measures at City Hall.

# Public Works–Property Division

## Budget Summary

PUBLIC WORKS PROPERTY DIVISION BUDGET SUMMARY					
PROPERTY UNIT	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$728,545	\$766,361	\$731,433	\$809,562	\$43,201
CONTRACTUAL	1,373,891	1,580,930	1,433,695	1,313,055	(267,875)
SUPPLIES	201,250	210,470	250,282	208,670	(1,800)
OTHER	<u>224,835</u>	<u>206,700</u>	<u>215,780</u>	<u>214,340</u>	<u>7,640</u>
TOTAL	<u>2,528,521</u>	<u>2,764,461</u>	<u>2,631,190</u>	<u>2,545,627</u>	<u>(218,834)</u>

STAFFING REVIEW					
TOTAL	2009	2010	2011	2012	INCREASE (DECREASE)
TOTAL	12.00	11.00	10.00	10.00	0.00

FUNDING SOURCE					
	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE	
BUILDING RENTAL CHARGES					
INTERNAL	\$2,849,890	98.1	\$2,600,130	97.9	
EXTERNAL	<u>54,960</u>	<u>1.9</u>	<u>54,960</u>	<u>2.1</u>	
BUILDING RENTAL TOTAL	<u>2,904,850</u>	<u>100.0</u>	<u>2,655,090</u>	<u>100.0</u>	

## Budget Analysis

The Property Division's budget has decreased 7.9% to \$2,545,627. Personnel costs have increased \$43,201 (5.6%), due to step and longevity wage increases and increases in fringe benefit rates. All personnel accounts increased slightly.

Contractual expenses decrease \$267,875 (16.9%) primarily due to a decrease in utility costs as electric rates decline. Decreases also occurred in janitorial service (\$21,600) with service reductions and lower prices, and purchase of services amounts with reallocations in central supply charges (\$10,250), building rent (\$6,970), vehicle repairs (\$3,700) and IT charges (\$1,420). Risk management charges decrease \$27,590 with reductions in insurance premium costs for a number of properties. The supply budget decreases \$1,800 in janitorial supplies. Other expenses increase \$7,640, due to an increase in depreciation costs.

In 2011, the Property Division spent \$2,631,190 or 95.2% of the budgeted allocation. In past years, 104% to 113% of the budget has been spent.

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes operations will continue as they are programmed for 2012 and that costs will increase three percent annually. Budgets are developed so that funds are annually available for fixed assets such as building improvements and fueling systems.

# Public Works–Property Division

## PROPERTY FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$2,794	\$2,878	\$2,964	\$3,053	\$3,145
Expenses	<u>2,670</u>	<u>2,750</u>	<u>2,833</u>	<u>2,918</u>	<u>3,006</u>
Excess (Deficit)	<u>124</u>	<u>128</u>	<u>131</u>	<u>135</u>	<u>139</u>
Beginning Balance	<u>507</u>	<u>631</u>	<u>759</u>	<u>890</u>	<u>1,025</u>
Ending Balance	<u>\$631</u>	<u>\$759</u>	<u>\$890</u>	<u>\$1,025</u>	<u>\$1,164</u>

### Fixed Assets

No fixed assets are planned for 2012.

### Personnel Review

<b>PUBLIC WORKS PROPERTY FUND</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	<b><u>(DECREASE)</u></b>
PERMANENT		\$438,614	\$457,188	\$18,574
TEMPORARY		40,000	40,000	0
OVERTIME		11,300	11,300	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$489,914</u></b>	<b><u>\$508,488</u></b>	<b><u>\$18,574</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		95,112	\$100,646	\$5,534
UNEMPLOYMENT TAX		1,800	1,800	0
WORKMEN'S COMPENSATION		16,307	19,554	3,247
HEALTH INSURANCE		162,448	177,658	15,210
LIFE INSURANCE		780	780	0
PARKING BENEFITS		<u>0</u>	<u>636</u>	<u>636</u>
<b>TOTAL BENEFITS</b>		<b><u>\$276,447</u></b>	<b><u>\$301,074</u></b>	<b><u>\$24,627</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$766,361</u></b>	<b><u>\$809,562</u></b>	<b><u>\$43,201</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>(DECREASE)</u></b>
PROPERTY SUPERVISOR	E-8	1.00	1.00	0.00
MAINTENANCE REPAIR WORKER	A-24	7.00	7.00	0.00
MAINTENANCE WORKER	A-20	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>10.00</u></b>	<b><u>10.00</u></b>	<b><u>0.00</u></b>

# **Public Works–Equipment Division**

## **Mission Statement**

It is the mission of the Equipment Services Division to service City vehicles.

- **Primary Functions**→ The Equipment Maintenance provides preventative maintenance and repair services for all City vehicles, except the Fire Department's emergency equipment.

### **2011 Accomplishments →**

- Maintained the fleet so that the operating divisions in Public Works and the other City departments could complete their assigned tasks.
- Evaluated and implemented new repairs to snow and ice fleet to ensure a continuous effective operation during critical snow and ice events.
- Purchase of a new D-TAC ELITE Multitasking Battery and Electrical Diagnostic Station.
- Provided efficient, cost effective maintenance and improved customer service on vehicles.

### **2012 Goals and Objectives →**

- Continue to evaluate snow and ice fleet to ensure a continuous effective operation during critical snow and ice events.
- Continue to research and purchase new tools for repair and analysis that will allow more effective and complete diagnostics and repairs of equipment and vehicles.
- Continue to use cost effective procedures to maintain the fleet so that it will operate effectively.
- Research and implement the usage of eco-friendly oils and lubricants.

# Public Works–Equipment Division

## Budget Summary

PUBLIC WORKS EQUIPMENT FUND BUDGET SUMMARY					
	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
<b>APPROPRIATION</b>					
PERSONNEL	854,978	953,445	837,901	955,056	1,611
CONTRACTUAL	845,782	884,405	1,128,994	846,420	(37,985)
SUPPLIES	1,920,427	2,069,380	2,015,446	2,108,850	39,470
OTHER	153,309	87,100	97,896	99,010	11,910
TOTAL	<u>3,774,496</u>	<u>3,994,330</u>	<u>4,080,237</u>	<u>4,009,336</u>	<u>15,006</u>
<b>STAFFING REVIEW</b>					INCREASE (DECREASE)
TOTAL	<u>2009</u> 11.45	<u>2010</u> 11.00	<u>2011</u> 10.00	<u>2012</u> 10.00	0.00
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
VEHICLE SERVICE CHARGES					
PUBLIC WORKS		1,939,260	51.3	2,024,030	49.2
POLICE		1,316,170	34.8	1,493,780	36.3
ALL OTHER AGENCIES		<u>521,860</u>	<u>13.9</u>	<u>595,680</u>	<u>14.5</u>
VEHICLE SERVICE TOTAL		<u>3,777,290</u>	<u>100.0</u>	<u>4,113,490</u>	<u>100.0</u>

## Budget Analysis

The Equipment Division's budget is \$4,009,336, an increase of 0.4%, primarily due to increases in fuel costs. Personnel costs increase \$1,611 with small increases in all accounts except health insurance, where coverage changes resulted in a reduction of \$15,000.

The contractual budget decreases 4.3% due to a number of changes in internal service charges.

Supply expenses increase 1.9% over 2011. The budget increase reflects an increase in fuel costs (\$54,320), offset by reductions in linen service (\$12,000), small tools (\$3,000), and general office supplies (\$1,400). Other expenses increase \$11,910, due to increases in the general fund purchase of services and depreciation.

The City's cost per gallon for fuel purchased at vendor sites is estimated at \$3.66 for gasoline and \$3.92, market price, for diesel. Fuel purchased is budgeted at 345,810 gallons for gasoline and 154,930 gallons for diesel, a total of 500,740 gallons. New work order rates were established for 2009 budget; cars \$95 and trucks \$110.

In 2011, fuel prices at vendor sites have ranged from \$2.70 to \$3.75 for gasoline and \$2.87 to \$4.00 for diesel. At the Yards, prices have ranged from \$2.63 to \$3.36 for gasoline and \$2.91 to \$3.55 for diesel.

# Public Works–Equipment Division

In 2011, the Equipment Division spent \$4,080,237 or 102.1% of the budgeted allocation. In the past several years, 97% to 114% of the budget has been spent.

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes operations will continue as they are programmed for 2012 and that costs will increase four percent annually. Budgets are developed so that funds are annually available for fixed assets such as building improvements and fueling systems.

EQUIPMENT FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$4,237	\$4,364	\$4,495	\$4,630	\$4,769
Expenses	<u>4,130</u>	<u>4,254</u>	<u>4,382</u>	<u>4,513</u>	<u>4,648</u>
Excess (Deficit)	<u>107</u>	<u>110</u>	<u>113</u>	<u>117</u>	<u>121</u>
Beginning Balance	<u>481</u>	<u>588</u>	<u>698</u>	<u>811</u>	<u>928</u>
Ending Balance	<u>\$588</u>	<u>\$698</u>	<u>\$811</u>	<u>\$928</u>	<u>\$1,049</u>

## Personnel Review

<b>PUBLIC WORKS EQUIPMENT FUND</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$586,183	\$591,733	\$5,550
OUT OF CLASS PAY		0	1,200	
OVERTIME		29,000	29,000	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$615,183</u></b>	<b><u>\$621,933</u></b>	<b><u>\$6,750</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$125,866	\$129,549	\$3,683
UNEMPLOYMENT TAX		1,800	1,800	0
WORKMEN'S COMPENSATION		22,516	28,982	6,466
HEALTH INSURANCE		184,600	169,312	(15,288)
LIFE INSURANCE		780	780	0
TOOL ALLOWANCE		<u>2,700</u>	<u>2,700</u>	<u>0</u>
<b>TOTAL BENEFITS</b>		<b><u>\$338,262</u></b>	<b><u>\$333,123</u></b>	<b><u>(\$5,139)</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$953,445</u></b>	<b><u>\$955,056</u></b>	<b><u>\$1,611</u></b>
	<b>POSITION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	
EQUIPMENT SERVICES SUPERVISOR	E-8	1.00	1.00	0.00
AUTO SHOP SUPERVISOR	A-29	1.00	1.00	0.00
AUTO MECHANIC	A-28	<u>8.00</u>	<u>8.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>10.00</u></b>	<b><u>10.00</u></b>	<b><u>0.00</u></b>

# **Public Works–Central Stores**

## **Mission Statement**

It is the mission of the Central Stores Division to service City departments with necessary equipment and tools.

- **Primary Functions**→ Central Stores is responsible for providing centralized inventory to the Property and Equipment Maintenance units, as well as to the Traffic, Engineering, and Water Division.

### **2011 Accomplishments →**

- Continued to provide inventory to City departments in a timely fashion.
- Utilized the centralized purchasing and accounting procedures to insure accountability for all the resources Central Supply manages.

### **2012 Goals and Objectives →**

- Continue cross training of all Central Stores personnel.
- Track all contracts for Public Works to eliminate delays in contractual changes and improve contractual monitoring process.
- Re-organize the small tool room. This includes updating equipment, labeling all items, and the taking of a complete physical inventory.
- Begin implementing OSHA requirements including correct safety equipment, proper usage and storage of chemicals, and safely secure the items in the wing shed.
- Begin integrating no-lead parts in to the Water Division inventory to comply with the Reduction of Lead in Drinking Water Act signed in to law this year by President Obama.

# Public Works–Central Stores

## Budget Summary

PUBLIC WORKS CENTRAL STORES FUND BUDGET SUMMARY					
	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	275,963	298,055	275,963	305,727	7,672
CONTRACTUAL	60,661	57,590	60,661	57,510	(80)
SUPPLIES	33,682	37,700	33,682	31,600	(6,100)
OTHER	19,756	24,200	19,756	23,460	(740)
TOTAL	<u>\$390,062</u>	<u>\$417,545</u>	<u>\$390,062</u>	<u>\$418,297</u>	<u>\$752</u>

STAFFING REVIEW					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
CENT/STORES UNIT	<u>3.25</u>	<u>3.15</u>	<u>4.00</u>	<u>4.00</u>	<u>0.00</u>
TOTAL	<u>3.25</u>	<u>3.15</u>	<u>4.00</u>	<u>4.00</u>	<u>0.00</u>

FUNDING SOURCE					
	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>	
INVENTORY CONTROL CHARGES					
STREET DIVISION	91,800	22.0	100,800	24.0	
TRAFFIC DIVISION	42,080	10.1	46,200	11.0	
PARKING DIVISION	29,630	7.1	21,000	5.0	
PROPERTY UNIT	52,250	12.5	42,000	10.0	
EQUIPMENT UNIT	34,430	8.2	37,800	9.0	
WATER DIVISION	<u>167,330</u>	<u>40.1</u>	<u>172,200</u>	<u>41.0</u>	
CENTRAL STORES TOTAL	<u>\$417,520</u>	<u>100.0</u>	<u>\$420,000</u>	<u>100.0</u>	

## Budget Analysis

The Central Stores budget increases 0.2% for 2012, to \$418,297. Personnel costs increase \$7,672 due to regular step and longevity wage increases and fringe benefit rate increases. All personnel accounts increased slightly.

Contractual accounts decrease \$80 due to a number of adjustments in internal service charges. Supply accounts decrease \$6,100 to reflect actual usage. Other expenses drop \$740 after a purchase of services increase of \$1,000, offset by a decrease of \$1,740 in depreciation expense.

In 2011, the Central Stores Division spent \$390,062 or 93.4% of the budgeted allocation. In the past several years, 97% to 110% of the budget has been spent.

# Public Works–Central Stores

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes operations will continue as they are programmed for 2012 and that costs will increase three percent annually. Budgets are developed so that funds are annually available for fixed assets such as building improvements and fueling systems.

### CENTRAL STORES FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$431	\$444	\$466	\$489	\$513
Expenses	<u>431</u>	<u>444</u>	<u>457</u>	<u>471</u>	<u>485</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>9</u>	<u>18</u>	<u>28</u>
Beginning Balance	<u>27</u>	<u>27</u>	<u>27</u>	<u>36</u>	<u>54</u>
Ending Balance	<u>\$27</u>	<u>\$27</u>	<u>\$36</u>	<u>\$54</u>	<u>\$82</u>

## Personnel Review

<b>PUBLIC WORKS CENTRAL STORES FUND</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$191,175	\$194,233	\$3,058
OVERTIME		6,000	6,000	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SALARIES</b>		<b><u>\$197,175</u></b>	<b><u>\$200,233</u></b>	<b><u>\$3,058</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$40,342	\$41,709	\$1,367
UNEMPLOYMENT TAX		720	720	0
WORKMEN'S COMPENSATION		434	561	127
HEALTH INSURANCE		59,072	62,192	3,120
LIFE INSURANCE		312	312	0
<b>TOTAL BENEFITS</b>		<b><u>\$100,880</u></b>	<b><u>\$105,494</u></b>	<b><u>\$4,614</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$298,055</u></b>	<b><u>\$305,727</u></b>	<b><u>\$7,672</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	<b>(DECREASE)</b>
CENTRAL SUPPLY SUPERVISOR	E-6	1.00	1.00	0.00
SENIOR ACCOUNT CLERK	A-21	1.00	1.00	0.00
INVENTORY CONTROL CLERK	A-21	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>4.00</u></b>	<b><u>4.00</u></b>	<b><u>0.00</u></b>

# Public Works-Water Division

## Mission Statement

The Water Division will operate and maintain the Rockford public water system in a manner that:

- Protects public health and enhances the community (*Our Product*)
- Focuses on our customers (*Our Service*)
- Upholds the highest standards of public trust (*Our Reputation*)

**Primary Functions** → The Water Division is comprised of three operating sections and Administration. The Division is responsible for production, quality control, storage, distribution, and related services to approximately 52,000 water customers.

- **Production** → The Production Section is responsible for overseeing the operation of the water system wells/booster pumps, ground-level and elevated storage, water treatment equipment, water quality, cross-connection control, and facility maintenance.
- **Distribution** → The Distribution Section oversees the maintenance, repair, and replacement of water mains and associated service branches, valves, and fire hydrants.
- **Customer Service** → The Customer Service Section is primarily responsible for responding to customer concerns, meter readings, installation/replacement of water meters, and responding to service calls.
- **Administration** → The Administrative Section is responsible for all division administration, fiscal control, system planning, service contract administration, and payroll.

## 2011 Accomplishments →

- Met customer demands for drinking water and fire protection by producing 7.3 billion gallons of water.
- Attained an average service pressure of at least 45 psi throughout the water system as a result of implementing two new hydraulic pressure zones, upgrading booster pumps, and implementing improved operational strategies.
- Accomplished 99.98% reliability in the delivery of water to our customers.
- Improved the quality of water delivered to our customers. Have completed seven (of ten total) water filtration plants. Reduced total iron in the system by approximately 75% and achieved radium compliance at five wells (out of six that were out of compliance).
- Completed Environmental Laboratory certification. Over 40,000 tests conducted annually ensures that the drinking water we deliver to our customers is safe.
- Provided drinking water at reasonable rates through good stewardship of financial resources. Water rates remain below the national average for comparable-sized water systems.
- Provided friendly and courteous customer service. Received several compliments from water customers throughout the year for outstanding service.

## **Public Works-Water Division**

- Continued to implement improvements in technology to enhance our service to customers.
- Maintained an open work environment promoting public/employee feedback and continuous improvement.
- Maintained a skilled and well-trained workforce.
- Promoted worker safety and public safety in all activities.
- Initiated Water Utility Master Plan as first step in developing comprehensive Asset Management Program.

### **2012 Goals and Objectives →**

- Complete Water Utility Master Plan.
- Develop Long-Term Infrastructure Replacement Program.
- Improve the quality of water delivered to customers by reducing iron, manganese, and radium concentrations through the use of new water filtration facilities and reducing excursions in concentration of treatment chemicals.
- Continue to improve customer service by reducing number of complaints throughout Water Division operations and improving responsiveness when a complaint is received.
- Continue to inform stakeholders (Administration, Aldermen, water customers, realtors, etc.) about our Water Quality Improvement Project (through announcements, consumer confidence report, information bulletins, brochures, presentations, etc.).
- Enhance community awareness of the importance of drinking water and the Rockford water system (public service announcements, secondary school demonstrations and presentations, etc.).
- Improve customer service by improving internal systems and responsiveness.
- Continue to promote worker safety and reduce number of on the job injuries (training and equipment). Address all safety concerns in a timely manner.
- Continue to develop and implement Rockford Water Academy to train and cross-train employees with a goal averaging 20 hours per employee of training per year.
- Continue to improve office environment at 1111 Cedar Street.
- Improve organizational efficiency through enhancing communication (SharePoint) across the organization and through implementation of accountability programs for managers and supervisors.

# Public Works-Water Division

- Continue implementation of laptop program to make field operations more efficient.

## Budget Summary

PUBLIC WORKS WATER DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$5,982,256	\$6,263,404	\$5,771,279	\$6,410,098	\$146,694
CONTRACTUAL	4,351,358	5,936,190	4,338,844	5,663,895	(272,295)
SUPPLIES	1,029,114	1,626,740	986,501	1,365,450	(261,290)
OTHER	6,383,497	7,040,434	7,321,149	7,903,624	863,190
INTEREST	2,273,154	2,553,000	2,242,842	2,289,000	(264,000)
TOTAL	<u>\$20,019,379</u>	<u>\$23,419,768</u>	<u>\$20,660,615</u>	<u>\$23,632,067</u>	<u>\$212,299</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
OPERATIONS	71.00	74.00	68.00	68.00	0.00
FIXED ASSETS	4.00	4.00	4.00	4.00	0.00
TOTAL	<u>75.00</u>	<u>78.00</u>	<u>72.00</u>	<u>72.00</u>	<u>0.00</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
WATER USER FEES	\$23,390,000	95.2	\$23,321,000	95.8
INSTALLATIONS & CONNECTIONS	771,000	3.1	651,000	2.7
INTEREST INCOME	200,000	0.8	160,000	0.7
FROM OTHER GOVERNMENTS	0	0.0	0	0.0
MISCELLANEOUS	109,000	0.4	109,000	0.4
PURCHASE OF SERVICES	<u>99,400</u>	<u>0.5</u>	<u>97,400</u>	<u>0.4</u>
TOTAL	<u>\$24,569,400</u>	<u>100.0</u>	<u>\$24,338,400</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget of \$23,632,067 is a \$212,299 increase from the 2011 budget. Personnel costs increased \$146,694 due to increased fringe benefit rates. Resulting increases included IMRF at \$17,500, worker's compensation at \$44,700 and health insurance at \$60,000. Temporary salaries (\$19,500) and salaries (\$4,600) also increased.

Contractual services decrease \$272,295 in 2012. A number of small reductions attribute to this decrease with the main decrease coming from a reduction in pumping energy use in water power expense of \$450,000. This is offset by increases in service contracts (\$24,000), fuel costs (\$61,800), engineering expenses (\$50,000), other professional fees (\$30,000) and risk management (\$38,000) as well as a variety of other small increases

Supplies decrease \$261,290 primarily due to a decrease in water supplies (\$230,300) and small tools (\$43,000) and an expected increase in fuel and lubricants (\$8,000).

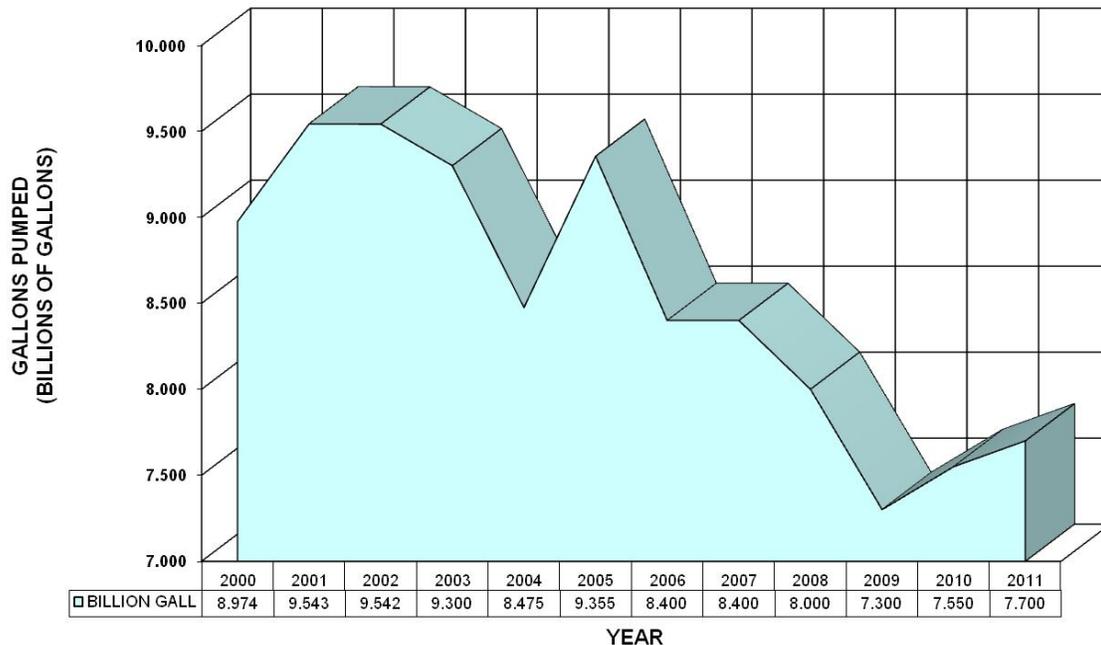
Other expenses increase \$863,190 for 2012. An increase in depreciation of \$824,900 and purchase of services of \$399,000 is offset by a decrease of \$20,700 in debt expenses. Interest expense decreases \$264,000.

# Public Works-Water Division

In 2011, the Water Division spent \$20,660,615 or 88.2% of its budgeted allocation. In the past several years, 83% to 97% of the budget has been spent.

## Information and Statistics

**ROCKFORD PUBLIC WORKS WATER DIVISION  
WATER PRODUCTION**



SOURCE: WATER DIVISION

As the graph above shows, water production has fluctuated somewhat in the last ten years. Since 1998, when gallons pumped was at 8.9 billion, production has decreased 21%, to an estimated 7.03 billion gallons in 2011. The average production for the past seven years is 8.006 billion gallons, which is more than expected 2012 production of 7.4 billion. Weather conditions, particularly annual rainfall, impact water usage in the City.

# Public Works-Water Division

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes annual three percent rate increases with consumption rising three-quarters of one percent each year. Expenses for this forecast range from five to six percent.

### WATER FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$25,213	\$26,121	\$27,061	\$28,035	\$29,044
Expenses	<u>24,814</u>	<u>26,055</u>	<u>27,358</u>	<u>28,726</u>	<u>30,162</u>
Excess (Deficit)	<u>399</u>	<u>66</u>	<u>(297)</u>	<u>(691)</u>	<u>(1,118)</u>
Beginning Balance	<u>123,585</u>	<u>123,984</u>	<u>124,050</u>	<u>123,753</u>	<u>123,062</u>
Ending Balance	<u>\$123,984</u>	<u>\$124,050</u>	<u>\$123,753</u>	<u>\$123,062</u>	<u>\$121,944</u>
Bond Issues	\$0	\$0	\$0	\$0	\$52
Rate Increases	3.0%	3.0%	3.0%	3.0%	5.5%

After completion of the \$75 million rehabilitation program, the City will finance future improvements on a pay as you go basis.

## Fixed Assets

The 2012 budget of \$486,000 for fixed assets includes a variety of vehicles, operating equipment, and building improvements.

FIXED ASSETS PUBLIC WORKS WATER DIVISION 2012 BUDGET			
<u>DESCRIPTION</u>	<u>COST CENTER</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
1 Ton Utility Box Pickup	3510	79922	\$65,000
1/2 Ton 4x4 Ext. cab short box pickup	3510	79922	\$30,000
Tandem dump trucks	3510	79922	\$130,000
1/2 ton 4x4 Long Bed Reg Cab pickup	3510	79922	\$25,000
3/4 ton 4x4 Pickup	3502	79922	\$30,000
Small SUV	3501	79922	\$22,000
Customer Service cargo van	3526	79922	\$24,000
Replace chemical feed equip - 2 sites			\$12,000
Chlorine cylinder closers - Well 9	3502	79922	\$30,000
Portable Clamp On Flow Meter	3526	79922	\$13,000
			<u>\$381,000</u>
Cedar St. Improvements (phase 5)		79910	\$75,000
New doors at well 25		79910	\$10,000
Spray foam insulation at well 23, 25	3502	79910	\$20,000
Roof replacement at UW #9	3526	79910	\$0
			<u>\$105,000</u>
			<u>\$486,000</u>
TOTAL CURRENT FIXED ASSETS			<b>\$486,000</b>

# Public Works-Water Division

## Personnel Review

<b>PUBLIC WORKS WATER DIVISION</b>				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	
PERMANENT		\$3,603,017	\$3,607,613	\$4,596
TEMPORARY		85,920	105,400	19,480
OVERTIME		478,000	478,000	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		0	0	0
<b>TOTAL SALARIES</b>		<b><u>\$4,166,937</u></b>	<b><u>\$4,191,013</u></b>	<b><u>\$24,076</u></b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$841,549	\$859,096	\$17,547
UNEMPLOYMENT TAX		12,960	12,960	0
WORKER'S COMPENSATION		100,186	144,857	44,671
HEALTH INSURANCE		1,117,688	1,177,644	59,956
RETIREE HEALTH INSURANCE		16,068	16,848	780
LIFE INSURANCE		5,616	5,616	0
PARKING		<u>2,400</u>	<u>2,064</u>	<u>(336)</u>
<b>TOTAL BENEFITS</b>		<b><u>\$2,096,467</u></b>	<b><u>\$2,219,085</u></b>	<b><u>\$122,618</u></b>
<b>TOTAL COMPENSATION</b>		<b><u>\$6,263,404</u></b>	<b><u>\$6,410,098</u></b>	<b><u>\$146,694</u></b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b><u>RANGE</u></b>	<b><u>EMPLOYEES</u></b>	<b><u>EMPLOYEES</u></b>	
WATER SUPERINTENDENT	E-12	1.00	1.00	0.00
WATER OPERATIONS MANAGER	E-10	1.00	1.00	0.00
ASSISTANT SUPERINTENDENT	E-9	1.00	1.00	0.00
WATER QUALITY SUPERVISOR	E-9	1.00	1.00	0.00
DIS SYS OP SUPERVISOR	E-8	1.00	0.00	(1.00)
WATER OPERATIONS SUPERVISOR - DISTRIBUTION	E-8	2.00	3.00	1.00
WATER PLANT OP. & MAINT.SUPERVISOR	E-8	1.00	2.00	1.00
WATER SYSTEMS & SCADA SUPERVISOR	E-8	1.00	1.00	0.00
WATER TREATMENT SUPERVISOR	E-8	1.00	0.00	(1.00)
WATER SERVICES COORDINATOR	E-8	2.00	2.00	0.00
ACCOUNTANT	E-7	1.00	1.00	0.00
SENIOR WATER QUALITY TECHNICIAN	E-6	1.00	0.00	(1.00)
WATER QUALITY TECHNICIAN	E-5	1.00	2.00	1.00
WATER CONTROL SYSTEM TECHNICIAN	E-5	1.00	1.00	0.00
SENIOR ENGINEERING TECHNICIAN	E-6	1.00	1.00	0.00
ENGINEERING TECHNICIAN	E-5	1.00	1.00	0.00
PUBLIC WORKS CREW LEADER	A-28	5.00	5.00	0.00
WATER PLANT OPERATOR	A-28	12.00	12.00	0.00
WATER SERVICE INSPECTOR	A-26	8.00	8.00	0.00
EQUIPMENT OPERATOR	A-23	6.00	6.00	0.00
SENIOR ACCOUNT CLERK	A-21	1.00	1.00	0.00
MAINTENANCE WORKER	A-20	10.00	10.00	0.00
SENIOR SECRETARY	A-20	1.00	1.00	0.00
SENIOR CLERK	A-19	8.00	8.00	0.00
WATER METER READER	A-18	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>
<b>TOTAL PERSONNEL</b>		<b><u>72.00</u></b>	<b><u>72.00</u></b>	<b><u>0.00</u></b>

# Public Works-Water Division

## Performance Measures

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Annual water production (billion gallons)	7.30	7.40	7.03	7.40
Hydrants replaced or installed	128	53	43	50
Services replaced or installed	657	50	52	55
Valves replaced or installed	116	38	13	30
Number of radio frequency meters installed	672	958	444	800
Number of customer meters	53,030	53,055	52,725	52,725
Radio frequency meters as a % of total	99.8%	99.8%	99.0%	99.8%

# Police and Fire Pension Fund

## Mission Statement

It is the mission of the Police and Fire Pension Funds to provide retirement benefits for retired police officers and firefighters and their beneficiaries through employer and employee contributions and investment earnings.

**Primary Functions** → The primary function of this non-operating budgetary unit is to finance pensions for employees by both employer and employee contributions combined with interest earnings on those contributions. These three revenue streams, if based on sound actuarial assumptions, should generate sufficient funds for employee retirement without placing either an undue burden on the employer or a risk to the pension due the employee.

## Budget Summary

<b>POLICE PENSION FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$11,640,324	\$4,968,953	\$12,387,023	\$4,463,520	(\$505,433)
CONTRACTUAL	350,142	375,100	358,869	383,950	8,850
SUPPLIES	31	200	0	200	0
OTHER	101,700	99,900	99,900	109,200	9,300
TOTAL	12,092,197	5,444,153	12,845,792	4,956,870	(487,283)
NON-APPROPRIATION	0	7,650,000	0	8,725,000	1,075,000
TOTAL EXPENSE	\$12,092,197	\$13,094,153	\$12,845,792	\$13,681,870	\$587,717
<b>FUNDING SOURCE</b>	2011 AMOUNT	2011 PERCENTAGE	2012 AMOUNT	2012 PERCENTAGE	
POLICE DEPARTMENT TRANSFER					
POLICE PENSION PROPERTY TAX	\$4,942,653	34.7	\$3,673,220	26.7	
POLICE PENSION PROPERTY TAX	(750,000)	0.0	0	0.0	
POLICE PENSION REPLACE TAX	776,300	5.4	790,300	5.7	
TOTAL CITY CONTRIBUTION	4,968,953	40.1	4,463,520	32.4	
INTEREST INCOME	3,800,000	26.7	5,800,000	42.2	
FV APPRECIATION(DEPRECIATION)	3,500,000	24.6	1,500,000	10.9	
INVESTMENT INCOME	7,300,000	51.2	7,300,000	53.1	
EMPLOYEE CONTRIBUTIONS	1,986,500	8.7	1,981,300	14.5	
TOTAL	14,255,453	100.0	13,744,820	100.0	
ACTUARY'S CONTRIBUTION REQUIREMENT	5,718,953	40.1	4,463,520	32.5	
AMORTIZATION AMOUNT	\$5,738,000		\$62,950		
(SEE TEXT FOR PENSION FINANCING EXPLANATION TO EXPLAIN REVENUE AND EXPENSE DISCREPANCY)					

# Police and Fire Pension Fund

## Budget Summary

<b>FIRE PENSION FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$12,929,522	\$6,295,842	\$13,471,483	\$5,082,279	(\$1,213,563)
CONTRACTUAL	480,220	509,700	437,045	499,400	(10,300)
SUPPLIES	0	200	300	300	100
OTHER	101,700	99,900	99,900	109,200	9,300
TOTAL	<u>13,511,442</u>	<u>6,905,642</u>	<u>14,008,728</u>	5,691,179	(1,214,463)
NON-APPROPRIATION	<u>0</u>	<u>7,350,000</u>	<u>0</u>	<u>9,275,000</u>	<u>1,925,000</u>
TOTAL EXPENSE	<u>\$13,511,442</u>	<u>\$14,255,642</u>	<u>\$14,008,728</u>	<u>\$14,966,179</u>	<u>\$710,537</u>

<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
FIRE DEPARTMENT TRANSFER				
FIRE PENSION PROPERTY TAX	\$6,114,242	38.4	\$4,133,879	24.8
FIRE PENSION PROPERTY TAX	(750,000)	-15.0	0	0.0
FIRE PENSION REPLACE TAX	931,600	5.8	948,400	5.7
TOTAL CITY CONTRIBUTION	<u>6,295,842</u>	<u>29.2</u>	<u>5,082,279</u>	<u>30.5</u>
INTEREST INCOME	2,800,000	17.6	4,700,000	28.2
FV APPRECIATION(DEPRECIATION)	<u>5,000,000</u>	<u>31.4</u>	<u>5,000,000</u>	<u>30.0</u>
INVESTMENT INCOME	7,800,000	48.9	9,700,000	58.1
EMPLOYEE CONTRIBUTIONS	<u>1,845,600</u>	<u>21.9</u>	<u>1,912,200</u>	<u>11.4</u>
TOTAL	<u>15,941,442</u>	<u>100.0</u>	<u>16,694,479</u>	<u>100.0</u>
ACTUARY'S CONTRIBUTION REQUIREMENT	7,045,842	44.2	5,082,279	30.4
AMORTIZATION AMOUNT	\$1,685,800		\$1,728,300	
(SEE TEXT FOR PENSION FINANCING EXPLANATION TO EXPLAIN REVENUE AND EXPENSE DISCREPANCY)				

## Budget Analysis

The City utilizes an independent actuary to annually determine the necessary funding for these two plans. Once this is determined, the City funds the plans based on the recommendations of the independent actuary. There were no changes with respect to plan provisions, actuarial methods, or actuarial assumptions from the prior year.

For 2011, the Police plan earned \$1.8 million in interest income while the Fire plan earned \$2.6 million in interest income. The Police and Fire plans also realized \$10.1 and \$6.5 million respectively on the sale of investments. In addition, reflecting fair market value adjustments of investments, the Police Pension Fund recorded a loss of \$7.8 million while the Fire Pension Fund recorded a loss of \$6.0 million. Investment expenses were \$240,800 for Police and \$420,100 for

## **Police and Fire Pension Fund**

Fire. Approximate annual rates of return were relatively small, but positive for both, 1.3% for Police and 2.2% for Fire. The rate of return assumption is 7.5%.

In 1993, the State of Illinois increased the pension benefits for these two plans. This increase not only increased costs for the future but it also significantly increased the unfunded liability for service already earned. With the member contribution rate increased only marginally, the bulk of the cost of paying for these improved benefits fell to local governments. To mitigate this, the State replaced the existing forty year level dollar amortization schedule begun in 1980 with a new 1993 forty year level percentage schedule. The City has elected, as long as was possible, to fund the annual contribution based on the 1980 schedule. For 2002, the last year that making this additional contribution was possible, this election added \$406,805 to the Police contribution and \$1,002,874 to the Fire contribution. Due to continuing and increasingly severe property tax cap restrictions, the City in 2003 changed and began to recognize the 1993 amortization method. The impact of this change for 2003 was estimated to be \$980,000 for the Police contribution and \$1,750,000 for the Fire contribution.

Effective July 1, 2004, the State changed the surviving spouse formula for the Fire Pension from 54% of ending salary to 100% of ending pension. To help fund this increased benefit, the firefighter contribution from salary was increased from 8.455% to 9.455%, an addition of \$166,400 and the municipal contribution was calculated at \$365,000, 2.1 cents on the tax rate. 30 of the 48 surviving spouses accounted for a first year cost increase of \$215,000. For the future, this will add an additional \$20,000 annually for each new surviving spouse. The State exempted the property tax necessary for this new benefit from the tax cap law.

The State of Illinois enacted a reform package for Illinois police and fire pension plans in 2010. Benefit changes, for new hires beginning January 1, 2011, included the following: (1) normal retirement age of 55 (currently 50); (2) early retirement at age 50 with 6% reduction for each year prior to 55; (2) pensionable salary cap of \$106,800 indexed to ½% of CPI-U; (3) final average salary calculated using the last 8 of 10 years (currently final day's salary); (4) survivor benefit of 66 2/3% of pension earned at date of death (currently 100% of pension); and (5) cost of living adjustments beginning the year after a retiree or survivor turns age 60 with annual increases equaling the lesser of 3% simple or ½ of CPI-U (currently 3% compounded each year after pension becomes payable).

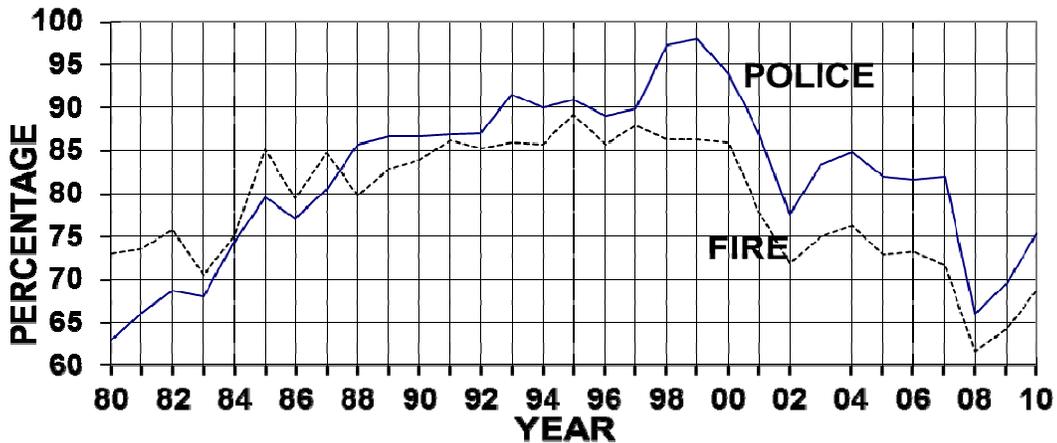
In addition, the following changes were made to public safety pension funding: (1) 30 year closed amortization period with a funding target of 90% by the end of 2040 (currently expires in 2033 with a funding target of 100%); (2) state shared revenue diversions to pension funds beginning in 2016 equaling the difference between the employer contribution and the required actuarial contribution. Three year phase in with up to 1/3 of state shared revenue diverted in 2016, up to 2/3 in 2017, and up to the full contribution difference beginning in 2018; (3) expanded investment authority including corporate bonds for all funds and greater equity investments for funds with assets of at least \$10 million; and (4) 5 year smoothing of actuarial gains and losses.

The first actuarial study to be performed using these changes was completed in the spring of 2011 for the year ended 2010 for the 2012 budget levy and the 2013 budget expense.

# Police and Fire Pension Fund

For the 2012 Police contribution requirement, the amount has decreased from \$5,718,953 to \$4,463,520, a decrease of \$1,255,433 (21.95%). The decrease in the contribution requirement is due to the decrease in the annual payroll and the investment return was greater than assumed. The percent funded has increased from 69.5% to 75.3%.

## CITY OF ROCKFORD, ILLINOIS PERCENTAGE RATE OF FULL FUNDING FOR POLICE & FIRE PENSIONS YEARS FROM 1980

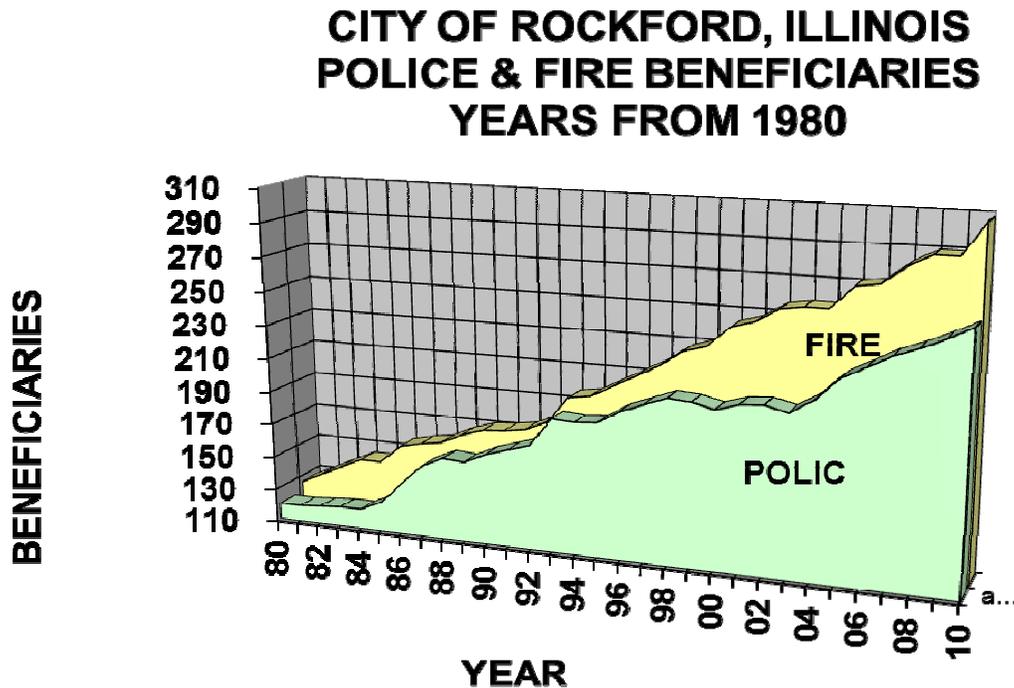


For the 2012 Fire contribution requirement, the amount has decreased from \$6,295,842 to \$5,082,279, a decrease of \$1,213,563 (19.28%). The decrease in the contribution requirement is due to the decrease in the annual payroll and the investment return was greater than assumed. The percent funded has increased from 64.2% to 68.7%.

ROCKFORD PENSION PLANS			
	<u>Police</u>	<u>Fire</u>	<u>IMRF/SS</u>
Employees	Sworn	Sworn	All Other
2012 Employer Rate	22.33%	25.13%	19.38%
2012 Employee Rate	9.910%	9.455%	10.70%
Social Security Included	No	No	Yes (6.2%)
Plan Administration	Local	Local	State
Retirement Age	50	50	55/60
Vesting (Years)	10	10	8
Pension (20 Years Service)	50%	50%	35%
Pension Limit	75%	75%	75%
Years To Achieve Limit	30	30	40
Pension Based On	Last Pay	Last Pay	Average of (4) Highest Consecutive Years In Last (10)

## Police and Fire Pension Fund

Trends for the two funds include active member percentage decreasing as the number of retirees increase as well as dollar costs rising.



Approximately one-half of the annual revenues for these two plans are generated from investment earnings. While member contributions have increased to 9.91% for Police in 2000 and 9.455% for Fire in 2005, employee contributions are still the smallest element of the financing equation.

The City contributions are funded from property taxes and state replacement taxes. Pension property taxes are unlimited; however, property tax extension limitations (tax caps) do apply on a total city basis except for the new benefit provision for Fire Pension surviving spouses. For 2012, estimated rates are 20.9 cents for the Police plan and 23.5 cents for the Fire plan. 2011 rates are estimated at 25.7 and 31.8 cents respectively. The property tax rate decrease is due to the plan cost decrease. For the Fire plan, 3.4 cents for 2011 and 2.5 cents for 2012 are exempt from tax caps.

Both plans utilize the Finance Department's staff. The Police pension fund will also utilize a consultant, \$40,000, and a custodian, \$2,200, as well as five money managers at an estimated cost of \$237,000 (2011-\$192,258). The Fire pension uses a consultant, \$60,000, a custodian, \$8,800, and nine money managers at an estimated cost of \$401,000 (2011-\$384,923). Each fund pays the State Department of Insurance \$8,000 annually for oversight services.

### **Five Year Financial Forecast**

The 2013-2017 five-year forecast on a traditional basis, assumes five percent City and employee contribution increases as well as a 7.5% return on investments. The combined impact for the two plans of this increase on the property tax rate would be approximately four cents annually. Costs are assumed to rise annually due to three percent pension increases and an annual new retiree group

## Police and Fire Pension Fund

of five. This forecast does not address a number of issues such as mortality, disability, and withdrawal that an actuary would. In addition, it makes no assumptions as to the likelihood of additional benefits gained through the legislative process in Springfield.

During 2009, the two portfolios recovered a portion of their 2008 losses. If this continues, then future contribution increases can return to more normal levels.

### POLICE PENSION FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$20,967	\$22,000	\$23,066	\$24,225	\$25,448
Expenditures	<u>14,105</u>	<u>14,633</u>	<u>15,177</u>	<u>15,738</u>	<u>16,315</u>
Excess (Deficit)	6,862	<u>7,367</u>	<u>7,889</u>	<u>8,487</u>	<u>9,133</u>
Beginning Balance	168,425	<u>175,287</u>	<u>182,654</u>	<u>190,543</u>	<u>199,030</u>
Ending Balance	<u>\$175,287</u>	<u>\$182,654</u>	<u>\$190,543</u>	<u>\$199,030</u>	<u>\$208,163</u>
Property Tax Rates (in cents)	23.9	25.8	27.8	30.0	32.4

### FIRE PENSION FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$20,134	\$21,006	\$21,932	\$22,903	\$23,939
Expenditures	<u>15,338</u>	<u>15,903</u>	<u>16,485</u>	<u>17,085</u>	<u>17,702</u>
Excess (Deficit)	4,796	<u>5,103</u>	<u>5,447</u>	<u>5,818</u>	<u>6,237</u>
Beginning Balance	<u>151,504</u>	<u>156,300</u>	<u>161,404</u>	<u>166,851</u>	<u>172,669</u>
Ending Balance	<u>\$156,300</u>	<u>\$161,404</u>	<u>\$166,851</u>	<u>\$172,669</u>	<u>\$178,906</u>
Property Tax Rates (in cents)	26.8	28.9	31.1	33.5	36.1

# IMRF Pension Fund

## Mission Statement

It is the mission of the Illinois Municipal Retirement Fund to provide retirement benefits for all retired non-sworn City employees and their beneficiaries.

**Primary Functions** → The primary function of the IMRF Fund is to account for all benefits for retired non-sworn City employees and their beneficiaries through employer and employee contributions.

## Fund Highlights

Based on sound professional actuarial advice and adequate funding, former employees are able to draw retirement benefits from the plan.

## Budget Summary

<b>IMRF PENSION FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$6,525,637	\$6,637,477	\$6,325,205	\$6,678,511	\$41,034
CONTRACTUAL	211	250	246	250	0
OTHER	<u>125,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$6,650,848</u>	<u>\$6,637,727</u>	<u>\$6,325,451</u>	<u>\$6,678,761</u>	<u>\$41,034</u>
<b>RATES APPLIED</b>					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
IMRF	9.59	9.35	12.53	12.81	13.18
SOCIAL SEC	<u>7.65</u>	<u>7.65</u>	<u>7.65</u>	<u>7.65</u>	<u>7.65</u>
TOTAL	<u>17.24</u>	<u>17.00</u>	<u>20.18</u>	<u>20.46</u>	<u>20.83</u>
<b>FUNDING SOURCE</b>					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
IMRF FUND		\$3,002,395	45.2	\$3,070,675	45.9
REPLACEMENT TAXES		277,300	4.2	282,300	4.2
INTERFUND TRANSFERS		3,358,032	50.5	3,325,785	49.7
INTEREST INCOME		<u>10,000</u>	<u>0.1</u>	<u>10,000</u>	<u>0.2</u>
TOTAL		<u>\$6,647,727</u>	<u>100.0</u>	<u>\$6,688,760</u>	<u>100.0</u>

## Budget Analysis

The Social Security rate, last increased in 1990 to 7.65%, remains unchanged for 2012. The taxable wage base for the 1.45% Medicare portion continues to be unlimited; the ceiling for Social Security (6.2%) remains unchanged from 2011's \$106,800.

# IMRF Pension Fund

The 2012 IMRF rate increases slightly to 13.18% from 2011's 12.81% (2.9%) due to the performance of equity markets. Combining IMRF and Social Security, the 2012 rate is 20.83%, a 1.8% increase. The City's IMRF plan is 77.5% funded (2010 market value). Funding for the City's Police and Fire plans is 71.5% and 65.3% respectively (2010 market value).

The property tax rate for IMRF and Social Security retirement is unlimited by statute. The 2012 estimated rate is 17.1 cents, a slight increase from the prior year's 15.9 cents.

## **Five Year Financial Forecast**

The 2013-2017 five-year forecast assumes that retirement costs will increase 5% annually due to salary adjustments, that the Social Security and IMRF rates will remain constant, that the Social Security base will continue to increase incrementally and that the revenue mix of property and transfer reimbursements will remain constant. Given the performance of the equity markets, the IMRF rate and consequently the City's expense may need to increase during this time period.

### IMRF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$7,157	\$7,658	\$8,194	\$8,768	\$9,382
Expenses	<u>7,146</u>	<u>7,646</u>	<u>8,181</u>	<u>8,754</u>	<u>9,367</u>
Excess (Deficit)	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>
Beginning Balance	<u>71</u>	<u>82</u>	<u>94</u>	<u>107</u>	<u>121</u>
Ending Balance	<u>\$82</u>	<u>\$94</u>	<u>\$107</u>	<u>\$121</u>	<u>\$136</u>
Property Tax Rates (in cents)	18.8	21.2	22.8	24.5	26.3

# **Health Insurance Fund**

## **Mission Statement**

It is the mission of the Health Insurance Fund is to provide health insurance benefits for City employees, City retirees, and outside participants through a self-insured plan (since 1978) financed by employer and partial premiums for employees in addition to those by retirees and outside participants.

**Primary Functions** → The primary function of the health insurance fund is to account for all health insurance costs including medical dental expenses, administrative expenses and excess coverage policies.

## **Fund Highlights**

With health insurance costs continuing to escalate as a percentage of the City's cost of doing business, the City refined its traditional PPO plan and introduced a new health savings account (HSA) offering in 2007. A multi-year schedule designed to increase employee deductibles and co-pays was approved. For 2009, the City secured new agreements for the dental, life insurance, health savings account, and flex care programs. In 2011, a change in network and third party administrators was expected to save \$800,000. With these changes, the City continues to offer its employees excellent health insurance at a reasonable cost.

The City will work to maintain a 25% reserve for this fund.

# Health Insurance Fund

## Budget Summary

<b>HEALTH INSURANCE FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$18,617,789	\$20,455,600	\$18,386,646	\$21,413,400	\$957,800
SUPPLIES	187	0	16,513	0	0
OTHER EXPENSE	<u>108,500</u>	<u>1,212,100</u>	<u>1,212,100</u>	<u>115,500</u>	<u>(1,096,600)</u>
TOTAL	<u>\$18,726,476</u>	<u>\$21,667,700</u>	<u>\$19,615,259</u>	<u>\$21,528,900</u>	<u>(\$138,800)</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
EMPLOYER CONTRIBUTIONS		<u>\$17,115,532</u>	<u>80.0</u>	<u>\$18,327,118</u>	<u>81.8</u>
TOTAL CITY CONTRIBUTION		<u>17,115,532</u>	<u>80.0</u>	<u>18,327,118</u>	<u>81.8</u>
EMPLOYEE PREMIUMS		1,102,206	5.2	1,110,330	5.0
RETIRES		2,616,060	12.2	2,377,692	10.6
OUTSIDE AGENCIES		32,136	0.2	33,696	0.2
OTHER		<u>500,000</u>	<u>0.1</u>	<u>500,000</u>	<u>2.2</u>
		<u>4,250,402</u>	<u>17.7</u>	<u>4,021,718</u>	<u>18.0</u>
INTEREST INCOME		<u>28,800</u>	<u>0.0</u>	<u>54,500</u>	<u>0.2</u>
TOTAL		<u>\$21,394,734</u>	<u>97.7</u>	<u>\$22,403,336</u>	<u>100.0</u>

## Budget Analysis

After several deficit years, experience since 2008 has been positive allowing the fund balance to once again be positive after eight deficit years. This is a result of premium increases as well as increased employee participation. As the schedule below illustrates, the ratio has ranged from 84% to 128%.

# Health Insurance Fund

	<u>REVENUE</u>	<u>EXPENSE</u>	<u>NET</u>	<u>BALANCE</u>	<u>BALANCE %</u>	<u>RATIO</u>	<u>% INC(DEC)</u>
1988	2,777,020	2,549,611	227,409	560,612		91.8	10 ALL
1989	3,144,942	2,967,420	177,522	738,134	18.9	94.4	10 ALL
1990	3,176,403	3,365,489	(189,086)	549,048	21.9	106.0	0
1991	3,483,241	4,452,611	(969,370)	(420,322)	12.3	127.8	10 ALL
1992	4,095,408	4,954,672	(859,264)	(1,279,586)	(8.5)	121.0	25 ALL
1993	5,296,853	5,404,698	(107,845)	(1,387,430)	(23.7)	102.0	25 ALL
1994	6,392,149	5,364,154	1,027,995	(359,435)	(25.9)	83.9	25 ALL
1995	6,359,549	5,500,937	858,612	499,177	(6.5)	86.5	0
1996	6,535,598	6,124,402	411,196	910,373	8.2	93.7	0
1997	7,367,537	7,645,259	(277,722)	632,651	11.9	103.8	5 ALL
1998	7,217,807	7,652,194	(434,387)	198,264	8.3	106.0	0
1999	7,564,951	7,613,746	(48,795)	149,468	2.6	100.6	5 ALL
2000	8,076,883	9,246,188	(1,169,305)	(1,019,837)	1.6	114.5	5 ALL
2001	10,042,763	10,374,979	(332,216)	(1,352,053)	(9.8)	103.3	20 ALL
2002	11,538,109	12,533,560	(995,451)	(2,347,504)	(10.8)	108.6	20 ALL
2003	13,260,622	12,542,048	718,574	(1,628,930)	(18.7)	94.6	20 ALL
2004	15,020,931	15,513,193	(492,262)	(2,121,192)	(10.5)	103.3	10 ALL
2005	16,122,114	16,816,537	(694,423)	(2,815,615)	(12.6)	104.3	5 ALL
2006	18,135,153	17,364,862	770,291	(2,045,324)	(16.2)	95.8	15 ALL
2007	19,324,075	17,904,315	1,419,760	(625,564)	(11.4)	92.7	10 ALL
2008	20,671,082	19,308,042	1,363,040	737,476	(3.2)	93.4	5 ALL
2009	21,156,324	19,641,928	1,514,396	2,251,872	3.8	92.8	5 ALL
2010	20,381,094	18,726,289	1,654,805	3,906,677	12.0	91.9	5 ALL
2011	20,915,957	19,615,259	1,300,698	5,207,375	19.9	93.8	5 ALL
2012	22,403,336	21,528,900	874,436	6,081,811	24.2	96.1	5 ALL
2013	23,428,978	23,464,300	(35,322)	6,046,489	25.9	100.2	5 ALL
2014	25,556,878	25,572,700	(15,822)	6,030,667	23.6	100.1	10 ALL
2015	27,896,578	27,899,600	(3,022)	6,027,645	21.6	100.0	10 ALL
2016	30,471,778	30,421,700	50,078	6,077,723	19.8	99.8	10 ALL
2017	33,304,078	33,176,900	127,178	6,204,901	18.3	99.6	10 ALL

## Five Year Financial Forecast

The 2013-2017 five year plan assumes that medical costs will increase up to 10% annually and that the revenue mix of employer, employee, and third party contributions will continue to evolve in order to continue a financially viable plan. Revenue increases are anticipated to be 5% to 10% per year for 2013-2017. Full participation in the plan by the two public safety unions would be beneficial for all employees as well as for Rockford taxpayers. As information evolves about the new federal health insurance program, changes will be made to the City's program. Those changes are anticipated to add cost to the City's plan.

HEALTH INSURANCE FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$23,429	\$25,557	\$27,897	\$30,472	\$33,304
Expenses	23,464	25,573	27,900	30,422	33,177
Excess (Deficit)	(35)	(16)	(3)	50	127
Beginning Balance	4,504	4,469	4,453	4,450	4,500
Ending Balance	\$4,469	\$4,453	\$4,450	\$4,500	\$4,627
Rate Increase	5.0	10.0	10.0	10.0	10.0
Reserve Percentage	19.2	17.5	16.0	14.6	13.6

# Unemployment Fund

## Mission Statement

It is the mission of the Unemployment Tax Fund to provide services for unemployment costs to former employees.

**Primary Functions** → The primary function of the Unemployment Tax Fund is to account for all unemployment expenditures.

## Fund Highlights

The City will continue to strive to provide this program to former employees while maintaining responsible costs for the taxpayers through its self-insured program.

## Budget Summary

UNEMPLOYMENT TAX FUND BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	<u>\$111,572</u>	<u>\$161,514</u>	<u>\$104,483</u>	<u>\$169,720</u>	<u>\$8,206</u>
TOTAL	<u>\$111,572</u>	<u>\$161,514</u>	<u>\$104,483</u>	<u>\$169,720</u>	<u>\$8,206</u>
FUNDING SOURCE		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
UNEMPLOYMENT TAX		\$140,575	82.8	\$140,218	82.6
INTERFUND TRANSFERS		29,145	17.2	29,502	17.4
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$169,720</u>	<u>100.0</u>	<u>\$169,720</u>	<u>100.0</u>

## Budget Analysis

The City operates a self-insured unemployment tax program with financing provided by premiums charged to departments based on a percentage of the first \$9,000 salary. The property tax rate for unemployment compensation is unlimited by statute. The 2012 estimated rate is 0.78 cents, changed from the prior year's 0.7 cent rate. Unemployment expenses should stabilize and decrease.

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes that unemployment costs will increase 3% annually and that premiums will be adjusted as necessary during this period. The unemployment rate charged to operating departments has remained stable at 2.0% (180) of the first \$9,000 of salary per employee for 2012. For the 2013 – 2017 planning period, the rate will be 2.0% (\$180).

# Unemployment Fund

## UNEMPLOYMENT COMPENSATION FUND 2013-2017 FINANCIAL FORECAST (IN \$000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$170	\$171	\$175	\$179	\$184
Expenses	<u>120</u>	<u>60</u>	<u>62</u>	<u>63</u>	<u>65</u>
Excess (Deficit)	<u>50</u>	<u>111</u>	<u>113</u>	<u>116</u>	<u>119</u>
Beginning Balance	<u>(70)</u>	<u>(20)</u>	<u>91</u>	<u>204</u>	<u>320</u>
Ending Balance	<u>(\$20)</u>	<u>\$91</u>	<u>\$204</u>	<u>\$320</u>	<u>\$439</u>
Property Tax Rates (in cents)	0.8	0.9	0.9	0.9	0.9

# Worker's Compensation Fund

## Mission Statement

It is the mission of the Worker's Compensation Fund to provide for all administrative, reinsurance and benefit expenses associated with employees' worker's compensation claims.

**Primary Functions** → The primary function is to account for all workers' compensation expenditures.

## Budget Summary

<b>WORKER'S COMPENSATION FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$2,446,837	\$1,887,670	\$1,483,367	\$2,407,695	\$520,025
OTHER EXPENSE	79,900	82,800	82,800	83,500	700
RESERVE ADJUST	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$2,526,737</u>	<u>\$1,970,470</u>	<u>\$1,566,167</u>	<u>\$2,491,195</u>	<u>\$520,725</u>
<b>FUNDING SOURCE</b>		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES		\$1,765,341	88.9	\$2,216,812	88.5
WORKER'S COMP		205,129	10.3	274,383	10.9
INTERFUND TRANSFERS		15,000	0.8	15,000	0.6
INTEREST INCOME		<u>\$1,985,470</u>	<u>100.0</u>	<u>\$2,506,195</u>	<u>100.0</u>
TOTAL					

## Budget Analysis

The City operates a self-insured worker's compensation program with financing provided by premiums charged to departments based on job type and likelihood of injury. With employees having three years from the date of injury to file a claim and payments on yet a longer cycle, the fund tends to exhibit a variable pattern. Adjustments to the reserve reflect this, increases for 2007 (\$346,173), 2008 (\$135,062), and 2009 (\$277,565) offset by a decrease for 2010 (\$170,654). Incurred claims currently stand at \$3,370,687. Discounting the reserve adjustment, 2009 and 2010 expenses were 92% and 75% of the budget respectively. Rates, decreased 25% in 2000, were increased 10% for 2009, 6% for 2011 and 20% for 2012 due to increased expenses. In addition, with a fund deficit of \$3.0 million at the end of 2010, a \$1.6 million surcharge was assessed to all participating funds. This resulted in an ending deficit of \$1.4 million. It is anticipated that an additional \$1.0 million surcharge will be assessed in 2011. The property tax rate for worker's compensation is unlimited by statute. The 2011 rate is 9.3 cents, slightly more than the prior year's 8.6 cents.

## Five Year Financial Forecast

The 2013-2017 five-year forecast assumes that worker's compensation costs will increase five percent annually and that the revenue mix of property and transfer reimbursements will remain

# Worker's Compensation Fund

constant. Premiums will be increased 20% annually in 2013 and 2014 followed by 10% increases from 2015 to 2017 during this period. The fund will turn positive in 2017.

## WORKER'S COMPENSATION FUND 2013-2017 FINANCIAL FORECAST (IN \$000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$2,852	\$3,420	\$3,760	\$4,135	\$4,547
Expenses	<u>2,535</u>	<u>2,662</u>	<u>2,795</u>	<u>2,935</u>	<u>3,082</u>
Excess (Deficit)	317	758	965	1,200	1,465
Beginning Balance	<u>(2,208)</u>	<u>(2,244)</u>	<u>(1,910)</u>	<u>(1,453)</u>	<u>(558)</u>
Acctg Int Adjust	<u>(353)</u>	<u>(424)</u>	<u>(508)</u>	<u>(305)</u>	<u>(336)</u>
Ending Balance	<u>(\$2,244)</u>	<u>(\$1,910)</u>	<u>(\$1,453)</u>	<u>(\$558)</u>	<u>\$571</u>
Property Tax Rates (in cents)	12.1	15.2	18.3	20.1	22.1
Expense Rate Change	20%	20%	20%	10%	10%

# Auditing Fund

## Mission Statement

It is the mission of the Auditing Fund to provide and pay for auditing services in the most efficient and economical manner in order to produce the most accurate financial records.

**Primary Functions** → The primary function of the Auditing Fund is to pay for all auditing services associated with the City's financial records.

## Budget Summary

AUDITING FUND BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$276,921	\$237,950	\$250,492	\$184,061	(\$53,889)
SUPPLIES	0	0	0	0	0
TOTAL	<u>\$276,921</u>	<u>\$237,950</u>	<u>\$250,492</u>	<u>\$184,061</u>	<u>(\$53,889)</u>
FUNDING SOURCE	2011		2012		
	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
PROPERTY TAXES					
AUDITING	\$182,240	76.6	\$138,251	75.1	
INTERFUND TRANSFERS	<u>55,710</u>	<u>23.4</u>	<u>45,810</u>	<u>24.9</u>	
TOTAL	<u>\$237,950</u>	<u>100.0</u>	<u>\$184,061</u>	<u>100.0</u>	

## Budget Analysis

The City utilizes an external auditor. In addition, the Fund reimburses the Finance Department for staff costs associated with auditing. 2012 costs include \$80,000 for auditors, \$101,100 for internal staff costs, and \$3,000 for printing the annual report in the newspaper. The property tax rate for auditing is unlimited by statute. The 2012 proposed rate is 0.9 cents, unchanged from the prior year's 0.9 cent rate.

## Five Year Financial Forecast

The 2013-2017 five year forecast assumes that audit costs will increase three percent annually and that the revenue mix of property taxes and transfer reimbursements will remain constant.

AUDITING FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	2013	2014	2015	2016	2017
Revenues	\$190	\$196	\$202	\$208	\$214
Expenses	<u>190</u>	<u>196</u>	<u>202</u>	<u>208</u>	<u>214</u>
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Property Tax Rates (in cents)	0.9	0.9	0.9	1.0	1.0

# **Debt Management**

## **Mission Statement**

It is the mission of the Debt Management Fund to account for bonded indebtedness incurred by the City, including all bond and interest payments.

**Primary Functions** → The primary function of the Debt Management Fund is to retire debt incurred by the City for long-term capital projects and short-term cash flow financing, by making annual payments of interest and principal based upon a planned schedule.

### **Fund Highlights** →

Since 1982 when the first Capital Improvements Program was adopted, the City has gone to the market annually to seek financing for its infrastructure improvements. In addition to retiring debt through property taxes, sales taxes, and water revenues, the City also utilizes tax increment financing (TIF) and special service area (SSA) districts property taxes to retire bonds.

In 2006, the City submitted a referendum question to the voters to determine whether or not they would, rather than financing streets and drainage improvements through voter approved bond issue referendums and the resulting property tax financed debt service, rather pay for infrastructure improvements through a one percent sales tax. While the voters defeated that proposal, they approved the same proposal, but with a five year limitation, in the spring 2007 election. Effective July 1, 2007, the tax generates \$15 million annually. The tax was extended by referendum for an additional five year period on April 5, 2011. Property tax financed debt service will end in 2017.

Currently, the City is in the midst of a four year \$75 million water improvement program that is being financed by bond issues and Illinois EPA loans that will be repaid by water revenues. When this program is complete, the City will finance future water improvements on a cash basis.

For the future, the City will only issue bonds for development purposes that are financed by TIF district property tax increment or other non property tax alternate revenue sources.

The City's current bond (long-term debt) rating is Aa3 from Moody's Investors Service. The bond rating was lowered from Aa2 during the most recent sale in July 2010. Moody's expressed concerns about decreasing cash reserves and numerous budgetary pressures when reviewing the City's financial operations. Declining elastic revenues, mandated public safety costs, and an increased need to support development funds were cited. The City's limited financial flexibility, due to being non home rule, was an issue for them. An elevated debt burden with some exposure to variable rate interim debt was noted. Finally, as in past ratings, Moody's highlighted the local economy with high unemployment levels. The last bond rating, an upgrade, occurred in 2000.

# Debt Management

## CITY OF ROCKFORD, ILLINOIS OUTSTANDING AND PROPOSED DEBT ISSUES

<u>ISSUE AND AMOUNT</u>	<u>PAYMENT SOURCE</u>	<u>FINAL LEVY YEAR</u>
1995 \$1,745,924 Kishwaukee Trunk Sewer (RRWRD)	7	2015
1999 \$5.3 Water Alt (Series B-\$3.1)	2	2018
1999 \$28.5 GOB (Series A-\$16.5 (\$7.0 Street, \$9.5 GOB Refunding), Series B-\$7.0 Coronado Theatre Public	1,6	2012, 2018
2000 \$12.2 GOB (Series A-\$6.0 Street, Series B-\$2.2 Water, Series C-\$4.0 South Rockford TIF)	1,2,3,6, 9	2013, 2020
2000 \$3.0 GO Alt (Series D-7th Street TIF Project)	3	2014
2001 \$9.2 GOB (Series A-\$7.0 Street, Series B-\$2.2 Water	1, 2	2013
2002 \$13.2 GOB (Series A-\$8.0 Street, Series B-\$2.2 Water, and Series C-\$3.0 7th Street TIF Project)	1, 2, 3	2014
2002 \$3.360 GOB Alternate and Refunding (Series D-\$2.060 Refunding Sales/Water, \$1.3 Springfield Corners Housing TIF	2, 3, 7	2020
2003 \$10.4 GOB (Series A-\$8.2 Street, Series B-\$2.2 Water	1, 2	2015
2004 \$15.9 GOB (Series A-\$8.5 Street, Series B-\$2.2 Water, Series C-\$2.0 7th St Taxable TIF Project, and Series D-\$3.2 Equipment)	1, 2, 3, 7	2016
2004 \$14.570 GOB Alternate and Refunding, (Alternate, Series E-\$4.65, N Main TIF \$1.65, Airport TIF \$3.0, Refundings, Series F-\$4.375 Street/ Drainage, Series G-\$2.475 Water, Series H-\$3.070 S Rockford TIF)	1, 2, 3	2023
2005 \$10.9 GOB (Series A-\$8.7 Street, Series B-\$2.2 Water)	1, 2	2017
2005 \$10.6 GOB (Alternate, Series C-\$7.550, Airport TIF \$0.915, Lincolnwood II TIF \$0.560, Springfield Corners TIF \$1.795, River Oaks \$2.450, Garrison TIF \$1.500, Lincolnwood I Refunding, \$0.530, Series D-\$2.850 Taxable Alternate Southwest Rockford Econ Dev	3,7	2017
2006 \$17.5 GOB (Series A-\$15.0 Water, Series B-\$2.5 Hope 6 TIF)	2,3	2025
2007 \$29.865 GOB Alternate and Refunding (\$23.0 Metro Centre Improvements (Series A-\$6.635 Tax Exempt, Series B-\$16.365 Taxable), Series C-\$6.865 GOBA Refunding)	6,9	2026
2007 \$8.75 GOB Alternate (Series D-\$3.5 Water, Series E-\$1.1 Preston Central TIF, Series F-\$1.1Sewer, Series G-\$3.05 Library)	2	2026
2007 \$8.75 GOB Alternate (Series D-\$3.5 Water, Series E-\$1.1 Preston Central TIF, Series F-\$1.1Sewer, Series G-\$3.05 Library)	2,3,7,8	2026
2008 \$12.15 GOB Alternate (Series A-\$9.0 Water, Series B-\$1.3 TIF (\$1.1 Airport, \$0.2 Jackson School), Series C-\$1.85 Taxable Parking	2,3,5	2028
2008 \$12.15 GOB Alternate (Series A-\$9.0 Water, Series B-\$1.3 TIF (\$1.1 Airport, \$0.2 Jackson School), Series C-\$1.85 Taxable Parking		2018
2009 \$2.6 GOB Alternate (Series A-\$1.65 TIF (\$0.35 River North, \$1.3 Main Whitman), Series B-\$0.95 Taxable Global Trade #1)	3	2028
2009 \$8.065 Series C - GOB Alternate Refunding Taxable (Metro Center)	3	2029, 2024
2009 \$8.065 Series C - GOB Alternate Refunding Taxable (Metro Center)	6,9	2026
2009 \$1.7 GOB Alternate (Series D-\$1.35 Springfield Corners TIF, Series E-\$0.35 River East TIF)	3	2023
2009 \$13.585 Refunding (Series E-\$7.93 GOB Street, Series F-\$4.325 Water, Series G-\$1.33 7th Street TIF District)	1,2,3	2014, 2018, 2015
2010 \$3.4 GOB Alternate Water	2	2029

2010 bonds issued

Amounts are in Millions

ALTERNATE - General Obligation Bonds (Alternate)

ALTERNATE CERTIFICATE - General Obligation Certificates

GOB - General Obligation Bonds (Exempt)

GOB TAXABLE - General Obligation Bonds (Taxable)

WRB - Water Revenue Bonds

### PAYMENT SOURCES

- 1 Property Taxes
- 2 Water Fund Revenues
- 3 Tax Increment Financing District Revenues
- 4 Special Service Area Property Taxes
- 5 Parking Fund Revenues
- 6 Redevelopment Fund Revenues
- 7 Sales Taxes
- 8 Off Track Betting Revenues
- 9 Private, Other

# Debt Management

## Budget Summary

<b>DEBT SERVICE FUND BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
BOND INTEREST	\$3,814,422	\$5,422,742	\$5,803,337	\$5,039,476	(\$383,266)
REFUNDING ESCROW	0	0	0	0	0
BOND PRINCIPAL	<u>9,096,764</u>	<u>13,620,037</u>	<u>9,015,000</u>	<u>12,923,221</u>	(696,816)
TOTAL	<u>\$12,911,186</u>	<u>\$19,042,779</u>	<u>\$14,818,337</u>	<u>\$17,962,697</u>	(\$1,080,082)
Actuals exclude water system debt					
<b>FUNDING SOURCE</b>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>	
PROPERTY TAXES					
DEBT SERVICE-CITYWIDE	\$5,546,650	29.1	\$4,866,320	27.1	
DEBT SERVICE-SPECIAL DISTRICTS	0	0.0	0	0.0	
	5,546,650	29.1	4,866,320	27.1	
ABATEMENTS-TAX EXEMPT					
PUBLIC WORKS WATER DIVISION	6,697,874	35.2	6,527,549	36.3	
SALES TAX	579,573	3.0	574,773	3.2	
TIF DISTRICTS	2,608,586	13.7	2,716,535	15.1	
OFF TRACK BETTING	0	0.0	0	0.0	
REDEVELOPMENT FUND	910,893	4.8	1,000,905	5.6	
OTHER	<u>819,519</u>	<u>4.3</u>	<u>814,394</u>	<u>4.5</u>	
	11,616,445	61.0	11,634,156	64.7	
ABATEMENTS-TAXABLE					
TIF DISTRICTS	946,660	5.0	519,010	2.9	
SALES TAX	319,844	1.7	333,593	1.9	
REDEVELOPMENT FUND	441,868	3.2	441,868	2.5	
PARKING	171,312	(14.8)	167,750	0.9	
OTHER	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	
	1,879,684	9.9	1,462,221	8.2	
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	
TOTAL	<u>\$19,042,779</u>	<u>100.0</u>	<u>\$17,962,697</u>	<u>100.0</u>	

## Budget Analysis

The last sale was held in 2010, \$3.4 million for water improvements. Repayment is by water revenues.

For the \$75 million water program, the City has issued \$30.9 million in the traditional marketplace. In addition, the City is participating in a State (IEPA) loan program for eligible mitigation activities that is anticipated to produce \$15 million in savings over traditional financing. To date, the State has approved \$23.1 million in twenty year 2.5% loans, \$8.5 million in twenty year 1.25% loans, and \$7.5 million in twenty year 0.0% loans, a total of \$39.1 million. In addition, the City has received \$5.4 million in ARRA stimulus grants. The State total is \$44.5 million. The total borrowing is \$70.0 million. With the grant funds, the total program is \$75.4 million.

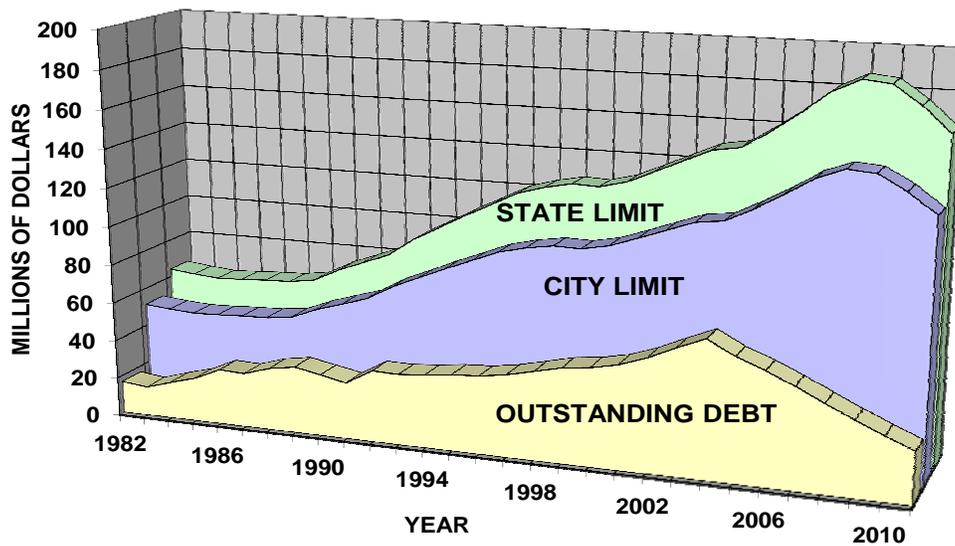
For 2012, the City does not plan to issue long term debt.

# Debt Management

The General Fund sales tax transfer for annexation improvements will be \$497,167 (includes \$119,073 for the Kishwaukee Sewer Trunk, a 20 year state loan through the water reclamation district). In addition, the \$3.2 million Equipment issue, averaging \$400,000 per year for 10 years, will be repaid from sales tax. Combined, the 2012 sales tax transfer for debt service will be \$908,367.

With no new general obligation debt proposed for street issues, the 2012 property tax funded debt service will only be for the five outstanding bond issues. The 2012 gross levy is \$4,915,475, an estimated rate of 27.7 cents. The \$687,200 decrease from the prior year is due primarily to the 2010 \$7.93 million refunding issue debt service decreasing. With no new referendum debt for street improvements to be proposed, all outstanding debt will be retired by 2017 and the City's debt service tax rate will be eliminated.

**CITY OF ROCKFORD, ILLINOIS  
LONG TERM DEBT OUTSTANDING  
YEARS FROM 1982**



The State has a limit of 8.625% of debt to equalized assessed valuation (EAV) for non-home rule units. Applying this percentage to the City, the limit would be \$153.1 million (2011 EAV). With \$21.1 million outstanding in general obligation bonds and \$26.4 million in interim variable debt (total \$47.5 million), the City is at 27.4% of the limit and has \$125.8 million in authority remaining. The City Council has adopted a more stringent policy, 20% less than the State limit that allows only \$138.6 million, 6.9% of EAV. Even with the stricter City policy, \$91.1 million in authority is still available.

## **Five Year Financial Forecast**

As part of the annual development of the five year capital improvements program, the City also prepares a bond issue schedule. While currently no plans exist for the 2013-2017 period, the City may recognize a need in the future during this period and sell bonds. Actual size and issuance

# Debt Management

depends upon the development of the annual capital improvements program. As existing street debt is retired, the debt service tax rate should continue to decrease.

## DEBT SERVICE FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$17,341	\$17,760	\$16,001	\$14,746	\$13,681
Expenditures	<u>17,341</u>	<u>17,760</u>	<u>16,001</u>	<u>14,746</u>	<u>13,681</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
Ending Balance	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
GO Bond Issues	0	0	0	0	0
Water Issues	0	0	0	0	0
Alternate Issues	0	0	0	0	0
Tax Rate (Cents)	25.5	21.3	16.1	10.9	5.3

# Off-Track Betting Special Projects Fund

## Mission Statement

It is the mission of the Off-Track Betting (OTB) Fund to finance projects from off-track betting receipts, as determined by the Mayor and Council.

**Primary Functions** → The primary function of the OTB Fund is to account for OTB revenues and to allocate those revenues for special projects.

**Fund Highlights** → The State Legislature approved a horse racing bill in December 1986 that included a provision for race tracks to operate off-track betting parlors in Illinois. A facility was opened in Rockford on November 18, 1987. The City and the County each receives one percent of the handle.

The City utilizes receipts for financing nonrecurring projects, the Rockford arts and property tax relief. Past undertakings have included property tax relief, contribution to the arts, certain road projects and fire station construction.

As part of its City Hall renovation project, the City issued three General Obligation Certificate issues (1990 - \$1,355,000; 1991 - \$4,000,000; and 1992 - \$5,050,000) totaling \$10,405,000. Debt service, 1990-2008, was scheduled to be derived from four revenue streams: the East Side TIF District, off-track betting income, redevelopment sales taxes and existing property taxes.

For the last three remaining debt service payments, 2005 - \$269,298, 2006 - \$403,040, 2007 - \$453,780, the amounts to come from this fund were reduced by \$200,000 for 2005 and \$250,000 annually for 2006 and 2007, a total of \$700,000. Were this not done, this fund would have been negative until 2026. The funding source for the difference was interest earnings and Redevelopment Fund.

## Budget Summary

OTB PROJECTS BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
DEBT SERVICE/INTEREST	\$0	\$1,700	\$0	\$50,200	\$48,500
ARTS	<u>85,000</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>(25,000)</u>
TOTAL	<u>\$85,000</u>	<u>\$26,700</u>	<u>\$25,000</u>	<u>\$50,200</u>	<u>\$23,500</u>
FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>	
OTB RECEIPTS	\$90,000	100.0	\$90,000	100.0	
OTB ADMISSION FEE	0	0.0	0	0.0	
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	
TOTAL	<u>\$90,000</u>	<u>100.0</u>	<u>\$90,000</u>	<u>100.0</u>	

# **Off-Track Betting Special Projects Fund**

## **Budget Analysis**

2010 and 2011 income, budgeted at \$120,000 and \$90,000 respectively, were \$99,019 (82.5%) and \$99,067 (110.1%) respectively. For 2012, the estimate remains at \$90,000 for an estimated 360 days of operation.

For 2011, \$25,000 was given to the Rockford Arts Council. For 2012, \$50,000 is available for Redevelopment Fund reimbursement.

## **Five Year Financial Forecast**

The 2013-2017 five year forecast assumes no revenue growth and expenditure of revenue for Redevelopment Fund reimbursement. With debt service completed in 2007, the fund's deficit should be eliminated in 2012. Future excess funds will reimburse the Redevelopment Fund for past advances, \$700,000, made in 2005 – 2007 with the reimbursement complete by 2020.

### OTB SPECIAL PROJECTS FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$91	\$96	\$96	\$96	\$101
Expenditures	<u>75</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Excess (Deficit)	<u>16</u>	<u>(4)</u>	<u>(4)</u>	<u>(4)</u>	<u>1</u>
Beginning Balance	<u>37</u>	<u>52</u>	<u>48</u>	<u>44</u>	<u>40</u>
Ending Balance	<u>\$52</u>	<u>\$48</u>	<u>\$44</u>	<u>\$40</u>	<u>\$41</u>

# Risk Management Fund

## Mission Statement

It is the mission of the Risk Management Fund to provide for costs associated with insurance, legal claims, risk management, and judgements.

**Primary Functions** → The primary function of the Risk Management Fund is to account for insurance expenses, losses to City owned property, liability claims, and risk management activities.

### Fund Highlights →

Implemented in 1996 to comply with Governmental Accounting Standards Board guidelines, the Risk Management Internal Service Fund pays for all insurance, claim settlements, and accidental property losses for the City. Not unlike a premium from an insurance company, departments are assessed a service charge that is based on a cost recovery basis. The annual service charge covers all risk management services received for that year including claim and loss management, insurance premiums, accidental loss of equipment, and the defense and settlement of claims.

The Risk Management Fund transfers risk exposure to outside companies through purchased insurance. This coverage includes liability, surety, fidelity, and property protection. Approximately 64 percent of insurance coverage is directly attributable to non-general fund departments and grant-funded programs. Those City activities not covered through purchased insurance, such as the operation of fire, police, and public works vehicles, are covered by the City's self-insurance program in which funds are set aside to cover losses and claims.

Governmental accounting standards require the City to record anticipated liabilities from operations. The frequency and amounts of the liabilities can vary significantly from year to year. In 2010, \$115,000 was paid for settlement of an excessive force claim against the Police Department and in 2011, \$550,000 was paid for a wrongful arrest case, \$115,000 for the first installment of a settlement of an auto accident case, and \$50,000 in an excessive force case.

### Budget Summary

RISK MANAGEMENT FUND BUDGET SUMMARY					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$846,784	\$1,371,500	\$1,590,608	\$1,466,500	\$95,000
OTHER	329,118	303,200	303,200	419,500	116,300
TOTAL	<u>\$1,175,902</u>	<u>\$1,445,540</u>	<u>\$1,893,808</u>	<u>\$1,886,000</u>	<u>\$211,300</u>
FUNDING SOURCE	2011		2012		
	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
PROPERTY TAXES					
JUDGMENTS	\$1,178,100	72.5	\$1,287,000	68.2	
SERVICE CHARGES	384,100	23.6	485,450	25.7	
PROPERTY DAMAGE REIMBURSEMENTS	63,000	3.9	115,000	6.1	
TOTAL	<u>\$1,625,200</u>	<u>100.0</u>	<u>\$1,887,450</u>	<u>100.0</u>	

# Risk Management Fund

## Budget Analysis

The Risk Management Fund's budget of \$1,886,000 is \$211,300 more than the prior year's appropriation. The contractual group increases \$95,000. Risk policies increase \$210,000 as a result of new comprehensive liability coverage. Costs incurred for claims against the City decreases \$200,000 and outside legal fees increases \$50,000.

Prior to 1996, the Judgments Fund was funded by a Judgments tax levy and expense activity was limited to tax levy funded departments. Since the conversion to an internal service fund, the Risk Management Fund obtains its revenue from service charges and damage reimbursements from other parties. The total General Fund levy to accommodate this change to a service charge remains approximately same as the amount levied to finance the Judgments Fund in prior years.

Due to the nature of the fund, spending can fluctuate greatly from year to year depending on the claims presented against the City. As a result, the property tax rate for risk management is unlimited by statute. The estimated rate for 2012 is 6.8 cents.

In 2011, the Risk Management Fund spent \$1,893,808 or 113.1% of the budgeted allocation. In the past several years, 61% to 170% of the budget has been spent.

## Five Year Financial Forecast

The five-year forecast assumes that primarily small claims will be paid out of this fund with the exception of one to two legal settlements annually. In addition, it is assumed that large claims that cannot be supported by the fund balance will be paid through the issuance of judgment bonds or through structured settlements, because larger claims are not reasonably foreseeable.

Risk Management Fund 2013-2017 Financial Forecast (In 000's)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,716	\$1,720	\$1,725	\$1,729	\$1,734
Expenses	<u>1,214</u>	<u>1,247</u>	<u>1,281</u>	<u>1,317</u>	<u>1,355</u>
Excess (Deficit)	<u>502</u>	<u>473</u>	<u>444</u>	<u>412</u>	<u>379</u>
Beginning Balance	<u>(1,000)</u>	<u>(498)</u>	<u>(25)</u>	<u>419</u>	<u>831</u>
Ending Balance	<u>(\$498)</u>	<u>(\$25)</u>	<u>\$419</u>	<u>\$831</u>	<u>\$1,210</u>
Property Tax Rates	6.0	6.0	5.9	5.8	5.7

# Workforce Investment Board

## Mission Statement

It is the mission of the Workforce Investment Board is to create a competitive, skilled and educated workforce by providing a system for the Citizens of Boone and Winnebago Counties to gain meaningful employment responsive to the needs of business.

**Primary Functions** → The primary function of the Workforce Investment Board is to plan and oversee the local workforce development system, negotiate local performance measures with the State, coordinate with economic development agencies and develop employer linkages, and promote the participation of the private sector in the workforce investment system.

## Fund Highlights

The City is the designated grant recipient for the federal Workforce Investment Act (WIA) funds for Boone and Winnebago counties. The WIA requires the establishment of a local Workforce Investment Board. This board and the City entered into an intergovernmental agreement in June 2004 that identifies the City as the employer of record and the mechanism for hiring Workforce Investment Board staff.

## Budget Summary

WORKFORCE INVESTMENT BOARD BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$508,507	\$513,690	\$516,081	\$520,211	\$6,521
CONTRACTUAL	\$0	\$0	\$0	\$1,630	\$1,630
TOTAL	<u>\$508,507</u>	<u>\$513,690</u>	<u>\$516,081</u>	<u>\$521,841</u>	<u>\$8,151</u>
STAFFING REVIEW	2009	2010	2011	2012	INCREASE <u>(DECREASE)</u>
TOTAL	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	0.00
FUNDING SOURCE		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
FEDERAL		<u>513,690</u>	<u>100.0</u>	<u>521,841</u>	<u>100.0</u>
		<u>\$513,690</u>	<u>100.0</u>	<u>\$521,841</u>	<u>100.0</u>

## Budget Analysis

The budget for 2012 reflects personnel expenses for six staff members. The overall budget of \$521,841 is a 1.58% increase from 2011 due to increases in IMRF (\$1,300) and health insurance (\$5,100) all due to rate increases. Contractual expenses increase due to risk management charges being allocated for liability insurance.

All costs associated with Workforce Investment Board are reimbursed by federal funds.

# Rockford Metropolitan Agency for Planning

## Mission Statement

RMAP primary mission is to perform and carry out a continuing, cooperative, comprehensive transportation planning process for the Rockford Urbanized Area in accordance with applicable Federal laws, policies and procedures, and with the cooperation and assistance of its members and the U.S. Department of Transportation.

## Budget Summary

<b>RMAP BUDGET SUMMARY</b>					
<b>APPROPRIATION</b>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$547,291	\$548,187	\$598,029	\$563,400	\$15,213
CONTRACTUAL	423,865	151,150	814,516	188,070	36,920
SUPPLIES	5,145	14,963	16,685	9,269	(5,694)
OTHER	0	9,200	9,200	12,600	3,400
CAPITAL	<u>31,626</u>	<u>18,500</u>	<u>0</u>	<u>0</u>	<u>(18,500)</u>
TOTAL	<u>\$1,007,927</u>	<u>\$742,000</u>	<u>\$1,438,430</u>	<u>\$773,339</u>	<u>\$31,339</u>
<b>STAFFING REVIEW</b>					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
TOTAL	4.00	6.00	6.00	6.00	0.0
<b>FUNDING SOURCE</b>					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
<b>CURRENT FUNDS</b>					
FEDERAL		594,377	80.0	594,377	80.0
STATE		0	0.0	0	0.0
LOCAL MATCH		66,034	8.9	60,194	8.1
CITY PORTION		82,560	11.1	88,400	11.9
<b>REPROGRAMMED FUNDS-PRIOR YEARS</b>					
OTHER FEDERAL/STATE		0	0.0	0	0.0
TOTAL		<u>\$742,971</u>	<u>100.0</u>	<u>\$742,971</u>	<u>100.0</u>

## Budget Analysis

The 2012 budget is \$773,339, which is an increase of \$31,339 (4.2%) from the previous year. Personnel costs increase \$15,213 as a result of increases in fringe benefit rates.

Contractual costs increase \$36,290, primarily due to increases in printing, dues, and service contracts. Charges from the City for IT services also increased \$7,140. Contracts for services are adjusted to meet funding restrictions. Supply costs decreased \$5,694 due to changes in a number of accounts. The purchase of services for general City services increased \$3,400.

# Rockford Metropolitan Agency for Planning

The new interagency agreement altered the funding formula for the organization by keeping all Federal and State funds within the organization, and changed the local match formula so that the City of Rockford no longer paid 100% of the local match.

In 2011, RMAP spent \$1,438,430 or 193.9% of budget of its budget allocation.

## Capital Assets

No capital purchases are budgeted for 2012.

## Personnel Review

ROCKFORD METROPOLITAN AGENCY FOR PLANNING				
<b>BENEFITS AND SALARIES</b>		<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>SALARY</b>		<b>BUDGET</b>	<b>BUDGET</b>	
PERMANENT		\$383,676	\$383,676	\$0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		0	0	0
<b>TOTAL SALARIES</b>		<b>\$383,676</b>	<b>\$383,676</b>	<b>\$0</b>
<b>BENEFITS</b>				
ILLINOIS MUNICIPAL RETIREMENT		\$78,500	\$79,920	\$1,420
UNEMPLOYMENT TAX		1,080	1,080	0
WORKMEN'S COMPENSATION		882	1,074	192
HEALTH INSURANCE		80,701	84,942	4,241
LIFE INSURANCE		468	468	0
RETIREE HEALTH		0	8,424	8,424
PARKING BENEFITS		2,880	3,816	936
<b>TOTAL BENEFITS</b>		<b>\$164,511</b>	<b>\$179,724</b>	<b>\$15,213</b>
<b>TOTAL COMPENSATION</b>		<b>\$548,187</b>	<b>\$563,400</b>	<b>\$15,213</b>
	<b>POSTION</b>	<b>2011</b>	<b>2012</b>	<b>INCREASE/ (DECREASE)</b>
<b>POSITION TITLE</b>	<b>RANGE</b>	<b>EMPLOYEES</b>	<b>EMPLOYEES</b>	
DIRECTOR	E-11	1.00	1.00	0.00
TRANSP PLANNER II	E-8	1.00	1.00	0.00
TRANSP PLANNER I	E-8	1.00	1.00	0.00
TRANSP ECONOMIST	E-8	1.00	1.00	0.00
TRANSP PLANNER/ENGINEER	E-8	1.00	1.00	0.00
SENIOR ADMIN ASSISTANT	E-6	1.00	1.00	0.00
<b>TOTAL PERSONNEL</b>		<b>6.00</b>	<b>6.00</b>	<b>0.00</b>

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
SUMMARY-ALL FUNDS

	GENERAL	SPECIAL REVENUE	GENERAL GOVERNMENT DEBT SERVICE	CAPITAL PROJECT	PROPRIETARY ENTERPRISE	INTERNAL SERVICE	FIDUCIARY TRUST PENSION	ELIMINATIONS	2012	2011
REVENUES										
PROPERTY TAX	\$37,873,400	\$7,430,481	\$16,128,130			\$6,922,179		\$1,300,000	\$67,054,190	\$67,208,084
CITY WIDE			1,879,684						1,879,684	1,879,684
TAXABLE BONDS		4,745,075	0						4,745,075	5,014,242
SPECIAL DISTRICTS			13,496,129						13,496,129	13,496,129
LESS, PROVISION FOR ABATEMENT		121,745	45,117			69,222		13,000	601,818	606,060
LESS, PROVISION FOR UNCOLLECTIBLE TAXES		37,494,666	12,053,811	4,466,568		6,852,957		1,287,000	59,581,002	59,999,831
NET TAX LEVY		5,623,078	700	0		0		5,623,776	0	0
TAX LEVY REIMBURSEMENTS		43,117,742	12,054,511	4,466,568		6,852,957		6,910,776	59,581,002	59,999,831
PROPERTY TAXES PRIOR TO ADJUSTMENTS		699,637	71,080	0		0		0	770,717	495,752
LESS, TAX CAP EFFECTS		314,995	5,409	0		0		0	320,394	682,770
TOTAL PROPERTY TAXES		42,103,120	11,978,022	4,466,568		6,852,957		6,910,776	58,489,891	58,841,309
OTHER TAXES		30,198,300	5,223,600	0	\$14,900,000	0		0	50,321,900	48,769,500
TOTAL TAXES		72,301,420	17,201,622	4,466,568	14,900,000	6,852,957		6,910,776	108,811,791	107,610,809
LICENSES, PERMITS & INSPECTION FEES		3,480,200	90,000						3,570,200	
INTERGOVERNMENTAL		22,225,790	20,823,035	460,000	\$39,467,500	1,086,750		282,300	83,780,775	86,190,667
CHARGES FOR SERVICES		4,295,000	9,191,800			10,259,910		10,138,580	37,689,130	37,304,920
FINES, FORFEITURES & PENALTIES		1,481,000	110,180		501,020				2,092,200	2,358,980
REVENUE FROM USE OF MONEY & PROPERTY		100,000	505,011		1,600,700	79,400		286,905	12,498,206	8,571,561
FAIR VALUE ADJUSTMENT									6,500,000	
OTHER REVENUE & INCOME		1,800	0			4,021,818			4,759,055	4,546,072
RESTRICTED RECEIPTS		8,581,940	30,750	60,000	0	115,000		3,893,500	6,500,000	8,500,000
MISCELLANEOUS		112,475,350	47,954,198	4,986,568	54,367,500	22,415,835		25,264,001	4,023,618	4,348,702
TOTAL REVENUES		1,200,000	1,188,400	6,278,255	8,475,000	25,377,323	9,545,799	47,427,522	4,759,055	4,546,072
OTHER ADDITIONS		0	0	0	0	0	0	0	0	0
TRANSFERS		1,200,000	1,188,400	6,278,255	8,475,000	25,377,323	9,545,799	47,427,522	4,759,055	4,546,072
PROCEEDS FROM SALE OF BONDS		0	0	0	0	0	0	0	0	0
APPLICATION OF RESTRICTED FUND BALANCE		0	0	0	0	0	0	0	0	0
FOR ENCUMBRANCES AND NONRECURRING ITEMS		0	0	0	0	0	0	0	0	0
TOTAL OTHER ADDITIONS		113,675,350	49,142,598	11,264,823	62,842,500	47,793,158	30,439,299	71,953,035	269,509,213	267,320,249
ELIMINATIONS										
TOTAL REVENUES & OTHER ADDITIONS		113,651,818	50,564,105	17,962,697	62,842,500	46,480,279	10,648,049	78,480,584	249,668,927	252,216,021
NON-APPROPRIATION EXPENSES										
PROVISION FOR ACCOUNTING INTERPRETATION				(4,275,000)					(4,275,000)	86,913
TRANSFER TO WATER UTILITY									0	0
TRANSFER TO PARKING UTILITY									0	0
PENSION EXPENSE NOT SUBJECT TO APPROPRIATION							18,000,000		18,000,000	15,000,000
COMMUNITY DEVELOPMENT									0	0
LEGAL REQUIREMENT FOR DEBT SERVICE									0	0
PROJECTED EXPENDITURES & TRANSFERS		113,651,818	50,564,105	11,264,823	58,567,500	46,480,279	28,648,049	\$71,782,710	263,393,927	263,252,934
ADJUSTMENT FOR ENTERPRISE FUND PROJECTS				(4,275,000)					(4,275,000)	(4,050,000)
PROJECTED EXCESS TO AMORTIZE PRIOR YR EXPENSE									0	0
PROJECTED EXCESS (DEFICIT) OF REVENUES		23,532	(1,421,507)	0	0	1,312,879	1,791,250	2,010,611	2,010,611	17,316
OVER EXPENDITURES AND ADJUSTMENTS										
BEGINNING BALANCE, JANUARY 1		22,672,029	15,415,188	8,300,000	13,610,820	1,510,168	296,352,032	497,664,290	505,078,030	
ENDING BALANCE, DECEMBER 31	\$22,695,561	\$13,993,681	\$8,300,000	\$13,610,820	\$140,108,510	\$2,823,047	\$298,143,282	\$499,674,901	\$505,095,346	

CITY OF ROCKFORD, ILLINOIS  
BUDGET PROGRAM SUMMARY BY EXPENDITURE CLASSIFICATION  
2012 BUDGET

AGENCIES	2011 BUDGET	INCREASE (DECREASE)	2012 BUDGET	SALARY EXPENSE	FRINGE BENEFITS	CONTRACTUAL EXPENSE	SUPPLY EXPENSE	OTHER EXPENSE	INTEREST EXPENSE	CAPITAL EXPENSE	DEBT REQUIREMENT
LEGISLATIVE & MANAGEMENT											
MAYOR	\$692,794	(\$75,754)	\$617,040	\$304,024	\$159,621	\$141,045	\$12,350				
COUNCIL	582,970	(10,183)	572,787	168,000	204,937	198,950	900				
LEGAL	1,631,175	(22,290)	1,608,885	792,064	428,901	364,220	23,700				
FINANCE	8,069,722	(1,065,434)	7,004,288	1,657,101	922,453	25,869	33,200,380				
INFORMATION TECH	2,471,659	172,728	2,644,387	397,759	187,385	1,566,783	36,500	455,960			
ELECTION COMMISSION	808,702	82,410	891,112	309,116	143,102	376,110	37,784				
HUMAN RESOURCES	650,029	9,499	659,528	348,003	170,200	134,525	6,800			\$25,000	
COMMUNITY DEVELOPMENT											
ADMINISTRATION	226,199	(627)	225,572	145,121	51,231	27,200	2,020				
DEVELOPMENT	4,543,551	(511,671)	4,031,880	427,720	263,987	333,896	5,050	3,001,227			
REDEVELOPMENT	3,159,956	(19,163)	3,140,793			850		3,139,943			
TOURISM PROMOTION	1,596,500	15,600	1,572,100			1,570,300		1,800			
TAX INCREMENT DISTRICTS	5,766,269	446,638	6,212,907			30,300		6,104,105	78,502		
SANITATION	8,506,907	848,773	9,355,680			7,150,630		2,204,550			
CODE ENFORCEMENT	1,196,056	98,540	1,294,596	469,638	305,453	515,480	500				
PLANNING	509,954	(4,480)	505,474	288,504	140,950	140,950	4,025				
CONST SERVICES	1,587,898	97,609	1,685,507	891,654	469,818	318,105	5,730				
HUMAN SERVICES											
HUMAN SERVICES	15,009,663	(2,101,797)	12,907,866	3,796,171	2,308,276	1,769,244	754,300	4,279,875			
TUBERCULOSIS SANITARIUM	160,300	8,000	168,300			168,300					
LIBRARY	7,871,000	251,930	8,122,930	3,248,085	1,327,949	1,532,301	1,446,328	88,875	239,394	239,998	
MASS TRANSIT	1,524,000	(250,000)	1,274,000			1,274,000					
PUBLIC SAFETY											
POLICE	44,626,440	154,603	44,781,043	24,036,799	12,282,164	7,878,800	803,280				
FIRE	37,513,966	1,532,134	39,046,100	23,101,077	12,469,821	2,856,132	619,070				
911 COMMUNICATIONS	5,249,218	17,717	5,266,935	3,499,290	1,605,805	153,190	8,650				
FIRE/POLICE COMMISSION	145,435	(58,360)	87,075	10,500		74,275	2,300				
PUBLIC WORKS											
ADMINISTRATION	332,612	16,279	348,891	191,007	80,224	72,560	5,100				
ENGINEERING	621,194	342,474	963,668	504,359	270,844	181,715	6,750				
CAPITAL PROJECT	62,825,000	17,500	62,842,500	954,471	548,017	345,705	5,460	471,560		60,517,267	
MOTOR FUEL TAX	5,700,000	(1,500,000)	4,200,000					4,200,000			
STREETS & SEWERS	7,306,343	126,276	7,432,619	1,526,328	855,102	3,574,630	1,384,000	92,559			
TRAFFIC	4,195,650	(63,658)	4,131,992	616,282	309,325	266,000	24,000	24,000			
PARKING	2,352,638	15,358	2,367,996	357,876	132,155	517,545	41,550	1,318,870			
PROPERTY	2,764,461	(218,834)	2,545,627	508,488	301,074	1,313,055	208,670	1,313,055			
EQUIPMENT	3,694,330	315,006	4,009,336	621,933	333,123	846,420	99,010	214,340			
CENTRAL STORES	417,545	752	418,297	200,233	105,494	57,510	31,600	23,460			
WATER	23,419,768	212,299	23,632,067	4,191,013	2,219,085	5,663,895	1,365,450	7,903,624	2,289,000		
NON-OPERATING FUNDS											
POLICE PENSION	5,444,153	(487,283)	4,956,870			383,950	200	109,200			
FIRE PENSION	6,905,642	(1,214,463)	5,691,179			499,400	300	109,200			
IMRF PENSION	6,637,727	41,034	6,678,761			250					
WORKMEN'S COMPENSATION	1,970,470	520,725	2,491,195			2,407,695		83,500			
UNEMPLOYMENT INSURANCE	169,720	0	169,720			169,720					
HEALTH INSURANCE	23,950,700	(2,021,800)	21,928,900			21,413,400		115,500			
AUDITING	237,950	(53,889)	184,061			184,061					
DEBT SERVICE	19,042,779	(1,080,082)	17,962,697						5,039,476		\$12,923,221
OTB PROJECTS	26,700	23,500	50,200						200		
RISK MANAGEMENT	1,674,700	211,300	1,886,000			1,466,500		50,000			
UST REMOVAL	0	0	0					419,500			
RMAP	742,000	31,339	773,339	383,676	179,724	188,070	9,269	12,600			
WIBOPS	513,690	8,151	521,841	345,197	175,014	1,630					
ADJUSTMENTS	0	0	0								
ELIMINATIONS	(82,389,914)	3,576,162	(78,813,752)	(5,271,876)	(15,564,507)	(27,036,363)	(2,399,399)	(22,024,058)	(2,092,368)	0	(4,435,181)
TOTAL	\$252,216,021	(\$1,565,432)	\$250,650,589	\$69,019,613	\$39,601,037	\$44,674,904	\$6,830,926	\$15,659,690	\$5,554,204	\$60,782,265	\$9,488,040
BUDGET PERCENTAGE	100		100.0	27.5	15.8	17.8	2.7	6.3	2.2	24.2	3.5

**CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
PERSONNEL AUTHORIZATION  
ALL FUNDS**

PROGRAMS AND AGENCIES	2009	2010	2011	2010-2011 INCREASE (DECREASE)	2012	2011-2012 INCREASE (DECREASE)	
<b>LEGISLATIVE &amp; MANAGEMENT</b>							
MAYOR	8.00	6.00	5.00	(1.00)	4.00	(1.00)	sr admin asst
COUNCIL				0.00		0.00	
LEGAL	20.00	17.00	12.00	(5.00)	12.00	0.00	
FINANCE	34.00	32.00	32.00	0.00	32.00	0.00	
INFORMATION SERVICES	8.00	6.00	6.00	0.00	6.00	0.00	
HUMAN RESOURCES	7.00	6.00	5.00	(1.00)	5.00	0.00	
<b>LEGISLATIVE &amp; MGMT TOTAL</b>	<u>77.00</u>	<u>67.00</u>	<u>60.00</u>	<u>(7.00)</u>	<u>59.00</u>	<u>(1.00)</u>	
<b>COMMUNITY DEVELOPMENT</b>							
CD ADMINISTRATION	2.00	1.50	1.50	0.00	1.50	0.00	
CD CODE ENFORCEMENT	13.00	12.20	10.20	(2.00)	10.20	0.00	
CD PLANNING	6.30	5.30	4.30	(1.00)	4.30	0.00	
CD CONSTRUCTION SERVICES	25.00	18.00	15.00	(3.00)	15.00	0.00	
CD SANITATION	0.00	0.00	0.00	0.00	0.00	0.00	
CD DEVELOPMENT	7.50	7.00	8.00	1.00	8.00	0.00	
<b>COMM DEVELOPMENT TOTAL</b>	<u>53.80</u>	<u>44.00</u>	<u>39.00</u>	<u>(5.00)</u>	<u>39.00</u>	<u>0.00</u>	
<b>HUMAN SERVICES</b>							
HUMAN SERVICES	90.75	97.85	99.00	1.15	90.58	(8.42)	wx staff, office asst,
TUBERCULOSIS SANITARIUM	0.00	0.00	0.00	0.00	0.00	0.00	admin coord
LIBRARY	115.10	82.00	84.50	2.50	86.00	1.50	
<b>HUMAN SERVICES TOTAL</b>	<u>205.85</u>	<u>179.85</u>	<u>183.50</u>	<u>3.65</u>	<u>176.58</u>	<u>(6.92)</u>	
<b>PUBLIC SAFETY</b>							
POLICE	345.00	318.00	318.00	0.00	318.00	0.00	
FIRE	282.00	282.00	278.00	(4.00)	280.00	2.00	2 fire inspectors
911 COMMUNICATIONS	53.00	53.00	53.00	0.00	53.00	0.00	
<b>PUBLIC SAFETY TOTAL</b>	<u>680.00</u>	<u>653.00</u>	<u>649.00</u>	<u>(4.00)</u>	<u>651.00</u>	<u>2.00</u>	
<b>PUBLIC WORKS</b>							
ADMINISTRATION	4.50	3.50	2.00	(1.50)	2.00	0.00	
ENGINEERING	10.00	7.45	5.50	(1.95)	10.00	4.50	various eng
STREETS & SEWERS	40.00	38.00	32.00	(6.00)	31.00	(1.00)	sr clerk to eng
TRAFFIC	12.40	13.00	11.00	(2.00)	11.00	0.00	
CAPITAL PROJECT	16.30	17.05	18.50	1.45	17.00	(1.50)	various eng
PARKING SYSTEM	9.00	8.50	8.50	0.00	8.50	0.00	
BUILDING MAINTENANCE	12.00	12.00	10.00	(2.00)	10.00	0.00	
EQUIPMENT MAINTENANCE	11.00	11.00	10.00	(1.00)	10.00	0.00	
CENTRAL STORES	4.00	4.00	4.00	0.00	4.00	0.00	
WATER	75.00	77.00	72.00	(5.00)	72.00	0.00	
<b>PUBLIC WORKS TOTAL</b>	<u>194.20</u>	<u>191.50</u>	<u>173.50</u>	<u>(18.00)</u>	<u>175.50</u>	<u>2.00</u>	
<b>TOTAL</b>	<u>1,210.85</u>	<u>1,135.35</u>	<u>1,105.00</u>	<u>(30.35)</u>	<u>1,101.08</u>	<u>(3.92)</u>	
ANNUAL PERSONNEL CHANGE	4.15	(75.50)	(30.35)		(3.92)		
ANNUAL PERCENTAGE CHANGE	0.30	(6.20)	(2.70)		(0.40)		

CITY OF ROCKFORD, ILLINOIS  
2012-2017 GENERAL FUND FORECAST

GENERAL FUND REVENUES	2010	2011	2012	2013	2014	2015	2016	2017
TAXES	<u>ACTUAL</u>	<u>BUDGET</u>						
PROPERTY TAXES	40,029,581	42,745,151	43,496,476	40,706,987	41,793,977	42,672,617	43,966,186	44,668,454
LESS, UNCOLLECTIBLE TAXES	0	(376,546)	(378,734)	(345,320)	(349,320)	(353,180)	(360,788)	(362,049)
NET LEVY	40,029,581	42,368,605	43,117,742	40,361,667	41,444,657	42,319,437	43,605,398	44,306,405
ADJUST FOR ACCTG INT EFFEC	0	(701,088)	(699,637)	2,756,075	(1,082,990)	(874,780)	(1,285,961)	(701,007)
ADJUST FOR TAX CAP EFFECTS	0	(600,990)	(314,985)	(67,450)	(246,156)	(308,538)	(192,204)	(455,220)
TOTAL PROPERTY TAXES	40,029,581	41,066,527	42,103,120	43,050,292	40,115,511	41,136,119	42,127,233	43,150,178
OTHER TAXES								
SALES AND USE TAXES	23,239,512	22,902,900	23,611,000	24,319,300	25,048,900	25,800,400	26,574,500	27,371,700
TELEPHONE FRANCHISE	5,363,604	5,458,100	5,567,300	5,623,000	5,679,200	5,736,000	5,793,400	5,851,300
UTILITY TAX	955,616	1,000,000	1,020,000	1,050,600	1,082,100	1,114,600	1,148,000	1,182,400
OTHER TAXES	29,558,732	29,361,000	30,198,300	30,992,900	31,810,200	32,651,000	33,515,900	34,405,400
TOTAL TAXES	69,588,313	70,427,527	72,301,420	74,043,192	71,925,711	73,787,119	75,643,133	77,555,578
LICENSES								
VEHICLES	0	0	0	0	0	0	0	0
LIQUOR	680,354	655,000	655,000	665,000	675,000	685,000	695,000	705,000
CATV FRANCHISE FEE	2,450,581	1,460,000	1,460,000	1,489,200	1,519,000	1,549,400	1,580,400	1,612,000
OTHER LICENSES/FRANCHISE	354,641	290,000	280,000	345,000	345,000	345,000	345,000	345,000
INSPECTIONS	1,010,081	1,022,200	1,095,200	1,160,100	1,195,200	1,230,700	1,267,000	1,304,300
TOTAL LICENSES	4,495,657	3,427,200	3,490,200	3,659,300	3,734,200	3,810,100	3,887,400	3,966,300
INTERGOVERNMENTAL								
REPLACEMENT TAX	6,749,483	5,169,700	5,018,600	5,367,500	5,466,400	5,565,300	5,664,200	5,763,100
STATE INCOME TAX	11,736,930	12,000,000	10,958,000	11,286,700	11,625,300	11,974,100	12,333,300	12,703,300
FOREIGN FIRE INSURANCE	0	0	0	0	0	0	0	0
FEDERAL, STATE, AND COUNT	6,511,801	5,709,190	6,249,190	5,357,500	5,458,300	5,551,800	5,647,900	5,746,700
TOTAL INTERGOVERNMENTAL	24,998,214	22,878,890	22,225,790	22,011,700	22,550,000	23,091,200	23,645,400	24,213,100
CHARGES FOR SERVICES								
AMBULANCE	4,000,195	4,100,000	4,000,000	4,080,000	4,160,000	4,240,000	4,320,000	4,410,000
ALL OTHER	335,443	280,000	295,000	297,400	305,100	313,100	321,500	330,100
TOTAL CHARGES FOR SERVICE	4,335,638	4,380,000	4,295,000	4,377,400	4,465,100	4,553,100	4,641,500	4,740,100
MAGISTRATE FINES	1,524,056	1,590,000	1,481,000	1,550,000	1,580,000	1,610,000	1,640,000	1,670,000
RENTS AND INTEREST	168,042	100,000	100,000	95,900	107,500	73,700	26,200	(2)
MISCELLANEOUS								
REIMBURSEMENTS FOR SERV	6,573,328	7,499,315	7,669,940	7,806,640	7,963,010	8,122,380	8,285,150	8,451,020
ALL OTHER	333,334	187,700	912,000	1,080,000	1,080,000	1,080,000	1,080,000	1,080,000
TOTAL MISCELLANEOUS	6,906,662	7,687,015	8,581,940	8,886,640	9,043,010	9,202,380	9,365,150	9,531,020
TOTAL REVENUES	112,016,582	110,490,632	112,475,350	114,624,132	113,405,521	116,127,599	118,848,783	121,676,096
OTHER ADDITION, TRANSFERS FROM								
MOTOR FUEL TAX	0	2,400,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
ALL OTHER	0	0	0	0	0	0	0	0
TOTAL OTHER ADDITIONS	0	2,400,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
TOTAL GENERAL FUND REVENI	112,016,582	112,890,632	113,675,350	115,824,132	114,605,521	117,327,599	120,048,783	122,876,096
BUDGET/BUDGET OR ACTUAL/A	1.021	1.008	1.007	1.019	0.989	1.024	1.023	1.024
SALARY	(1,237,664)	(1,548,707)	2,058,486	585,000	585,000	585,000	585,000	585,000
ALL EXCEPT CAPITAL	(775,833)	1,439,464	1,136,185	1,007,865	3,330,231	4,086,250	4,336,560	4,607,800
GENERAL FUND EXPENDITURE:	(1,237,664)	(1,548,707)	2,058,486	585,000	585,000	585,000	585,000	585,000
SALARY	55,194,995	53,646,288	55,704,774	56,289,774	56,874,774	57,459,774	58,044,774	58,629,774
FRINGE BENEFIT	28,409,504	29,252,044	29,419,160	29,559,500	31,664,600	34,399,800	37,363,000	40,574,600
CONTRACTUAL EXPENSE	21,763,392	21,537,491	21,978,297	22,637,600	23,316,700	24,016,200	24,736,700	25,478,800
SUPPLY EXPENSE	3,022,407	3,345,271	3,207,648	3,303,900	3,403,000	3,505,100	3,610,300	3,718,600
OTHER EXPENSE	2,660,871	4,622,626	3,316,939	3,521,200	3,417,000	3,417,000	3,417,000	3,417,000
CAPITAL EXPENSE	464,948	25,000	25,000	25,000	25,000	25,000	25,000	25,000
FUND PRIOR TO ADJUSTMENTS	111,516,117	112,428,720	113,651,818	115,336,974	118,701,074	122,822,874	127,196,774	131,843,774
ADJUST FOR ACCTG INT EFFEC	0	86,913	0	(677,291)	(711,160)	(746,710)	(784,050)	(823,250)
TOTAL GENERAL FUND	111,516,117	112,515,633	113,651,818	114,659,683	117,989,914	122,076,164	126,412,724	131,020,524
BUDGET/BUDGET OR ACTUAL/A	0.996	1.009	1.010	1.009	1.029	1.035	1.036	1.036
EXCESS (DEFICIT) REVENUES:								
OVER EXPENDITURES	500,465	374,999	23,532	1,164,449	(3,384,393)	(4,748,565)	(6,363,941)	(8,144,428)

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
SPECIAL REVENUE FUNDS

REVENUES	MOTOR FUEL TAX	SANITATION	COMMUNITY DEVELOPMENT	REDEVELOPMENT TAX	TOURISM PROMOTION	TAX INCREMENT FINANCING DISTRICTS	HUMAN SERVICES	TUBERCULOSIS SANITARIUM	LIBRARY	RMAP	OTB SPECIAL PROJECTS	ELIMINATIONS	TOTAL
PROPERTY TAXES													
CITY WIDE		\$21,000							\$7,241,181				\$7,430,481
SPECIAL DISTRICTS		200				\$4,745,075		1,683	72,412				4,745,075
LESS, UNCOLLECTIBLE TAXES		20,800				47,450		166,617	7,168,769				12,1745
NET TAX LEVY		700				4,697,625		0	0				12,053,811
TAX LEVY REIMBURSEMENTS		(200)				4,897,625		166,617	7,168,769				700
PROPERTY TAXES PRIOR ADJUST		(200)				0		7,920	63,360				12,054,511
LESS, PROVISION FOR ACCTG INT		0				0		0	5,489				71,080
LESS, TAX CAP EFFECTS		21,700				4,697,625		158,697	7,100,000				5,409
TOTAL PROPERTY TAXES		21,700				4,697,625		0	0				11,978,022
OTHER TAXES		21,700				4,697,625		158,697	7,100,000				5,223,600
TOTAL TAXES		21,700				4,697,625		158,697	7,100,000				17,201,622
LICENSES, PERMITS & FEES											\$80,000		90,000
INTERGOVERNMENTAL													20,823,035
SERVICE CHARGES		9,169,800	\$2,993,417			\$12,630,647			850,000	\$654,571			9,191,800
FINES									22,000				110,180
REVENUE, RENTS & INTEREST	187,000	62,700	123,500			121,811			110,180				505,011
OTHER REVENUE & INCOME									10,000				1,800
MISCELLANEOUS	0	0	0			0		1,800	0			\$0	1,800
TOTAL REVENUES	3,881,400	9,254,200	3,116,917	3,651,500	1,572,100	4,819,436	12,630,647	160,497	30,750	654,571	90,000	0	30,750
OTHER ADDITIONS									8,122,930				47,954,198
TRANSFERS													
PROCEEDS FROM SALE OF BONDS	0	0	0			1,100,000	26,000	0	0	88,400		26,000	1,188,400
TOTAL REVENUES & ADDITIONS	3,881,400	9,254,200	3,116,917	3,651,500	1,572,100	5,919,436	12,656,647	160,497	8,122,930	742,871	90,000	26,000	49,142,598
APPROPRIATION	4,200,000	9,409,790	4,031,880	3,140,793	1,572,100	6,212,907	12,907,866	168,300	8,122,930	773,339	50,200	26,000	50,564,105
NON EXPENSE APPROPRIATION	4,200,000	9,409,790	4,031,880	3,140,793	1,572,100	6,212,907	12,907,866	168,300	8,122,930	773,339	50,200	26,000	50,564,105
EXPENDITURES AND TRANSFERS													0
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(316,600)	(155,590)	(914,963)	510,707	0	(283,471)	(251,219)	(7,803)	0	(30,368)	39,800		(1,421,507)
BEGINNING BALANCE, JANUARY 1	7,763,799	3,489,427	684,020	(2,472,493)	94,619	(2,517,596)	(1,070,660)	99,159	5,692,018	(107,778)	(9,190)		11,645,385
ENDING BALANCE, DECEMBER 31	\$7,445,199	\$3,333,837	(\$230,943)	(\$1,961,786)	\$94,619	(\$2,811,007)	(\$1,321,879)	\$91,356	\$5,692,018	(\$138,146)	\$30,610		\$10,223,878

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
SPECIAL REVENUE FUNDS - TAX INCREMENT FINANCE DISTRICTS  
(PAGE 1 OF 2)

	<u>EAST SIDE</u>	<u>EAST RIVER</u>	<u>WEST SIDE #1</u>	<u>WEST SIDE #2</u>	<u>RIVER NORTH</u>	<u>SOUTH ROCKFORD</u>
REVENUES						
PROPERTY TAXES						
SPECIAL DISTRICTS	\$357,959	\$123,913	\$425,727	\$8,991	\$86,151	\$135,993
LESS, UNCOLLECTIBLE TAXES	<u>3,580</u>	<u>1,239</u>	<u>4,257</u>	<u>90</u>	<u>862</u>	<u>1,360</u>
NET TAX LEVY	354,379	122,674	421,470	8,901	85,289	134,633
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	1,800	0	2,500	29	3	0
OTHER REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	356,179	122,674	423,970	8,930	85,292	134,633
OTHER ADDITIONS						
TRANSFERS	0	150,000	300,000	0	0	100,000
PROCEEDS FROM SALE OF BOND:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES & ADDITIONS	356,179	272,674	723,970	8,930	85,292	234,633
APPROPRIATION	405,000	177,689	735,999	0	26,296	400,167
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	405,000	177,689	735,999	0	26,296	400,167
EXCESS (DEFICIT)						
OF REVENUES OVER						
EXPENDITURES	(48,821)	94,985	(12,029)	8,930	58,996	(165,534)
BEGINNING BALANCE,						
JANUARY 1	25,001	(108,094)	98,963	1,150	118	(191,780)
ENDING BALANCE, DECEMBER 31	<u>(\$23,820)</u>	<u>(\$13,109)</u>	<u>\$86,934</u>	<u>\$10,080</u>	<u>\$59,114</u>	<u>(\$357,314)</u>

	<u>ASSISTED LIVING</u>	<u>STATE KILBURN</u>	<u>STATE CENTRAL</u>	<u>SPRINGFIELD CORNERS</u>	<u>NORTH MAIN</u>	<u>MAIN AUBURN</u>
REVENUES						
PROPERTY TAXES						
SPECIAL DISTRICTS	\$55	\$17,374	\$223,434	\$176,147	\$97,002	\$19,869
LESS, UNCOLLECTIBLE TAXES	<u>1</u>	<u>174</u>	<u>2,234</u>	<u>1,761</u>	<u>970</u>	<u>199</u>
NET TAX LEVY	54	17,200	221,200	174,386	96,032	19,670
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	5	380	0	0	0	1,108
OTHER REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	59	17,580	221,200	174,386	96,032	20,778
OTHER ADDITIONS						
TRANSFERS	0	0	0	200,000	0	
PROCEEDS FROM SALE OF BOND:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES & ADDITIONS	59	17,580	221,200	374,386	96,032	20,778
APPROPRIATION	0	0	202,072	438,158	174,715	10,000
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	0	0	202,072	438,158	174,715	10,000
EXCESS (DEFICIT)						
OF REVENUES OVER						
EXPENDITURES	59	17,580	19,128	(63,772)	(78,683)	10,778
BEGINNING BALANCE,						
JANUARY 1	186	15,188	(82,878)	(69,045)	(390,082)	44,312
ENDING BALANCE, DECEMBER 31	\$245	\$32,768	(\$63,750)	(\$132,817)	(\$468,765)	\$55,090

	<u>MAIN WHITMAN</u>	<u>SEVENTH STREET</u>	<u>MIDTOWN</u>	<u>BROADWAY</u>	<u>STATE ALPINE</u>	<u>TOTAL RETAIL TIF DISTRICTS</u>
REVENUES						
PROPERTY TAXES						
SPECIAL DISTRICTS	\$42,706	\$1,006,015	\$47,091	\$43,902	\$248,081	\$3,060,410
LESS, UNCOLLECTIBLE TAXES	<u>427</u>	<u>10,060</u>	<u>471</u>	<u>439</u>	<u>2,481</u>	<u>30,605</u>
NET TAX LEVY	42,279	995,955	46,620	43,463	245,600	3,029,805
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	0	100	0	21	5,912	11,858
OTHER REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	42,279	996,055	46,620	43,484	251,512	3,041,663
OTHER ADDITIONS						
TRANSFERS	0	50,000	0	0	0	800,000
PROCEEDS FROM SALE OF BOND:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES & ADDITIONS	42,279	1,046,055	46,620	43,484	251,512	3,841,663
APPROPRIATION	104,799	1,048,428	22	0	285,429	4,008,774
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	104,799	1,048,428	22	0	285,429	4,008,774
EXCESS (DEFICIT)						
OF REVENUES OVER						
EXPENDITURES	(62,520)	(2,373)	46,598	43,484	(33,917)	(167,111)
BEGINNING BALANCE,						
JANUARY 1	(282,271)	5,005	(875)	822	236,463	(697,817)
ENDING BALANCE, DECEMBER 31	<u>(\$344,791)</u>	<u>\$2,632</u>	<u>\$45,723</u>	<u>\$44,306</u>	<u>\$202,546</u>	<u>(864,928)</u>

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
SPECIAL REVENUE FUNDS - TAX INCREMENT FINANCE DISTRICTS  
(PAGE 2 OF 2)

	LINCOLNWOOD #1	LINCOLNWOOD #2	HOPE 6	GARRISON	RIVER OAKS	JACKSON SCHOOL
REVENUES						
PROPERTY TAXES						
SPECIAL DISTRICTS	\$79,857	\$59,495	\$178,514	\$81,549	\$59,290	\$108,990
LESS, UNCOLLECTIBLE TAXES	799	595	1,785	815	593	1,090
NET TAX LEVY	79,058	58,900	176,729	80,734	58,697	107,900
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	3,502	1,353	0	0	0	1,469
OTHER REVENUE	0	0	0	0	0	0
TOTAL REVENUES	82,560	60,253	176,729	80,734	58,697	109,369
OTHER ADDITIONS						
TRANSFERS						
PROCEEDS FROM SALE OF BOND:	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	82,560	60,253	176,729	80,734	58,697	109,369
APPROPRIATION	68,688	47,631	260,865	71,505	307,881	116,985
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	68,688	47,631	260,865	71,505	307,881	116,985
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	13,872	12,622	(84,136)	9,229	(249,184)	(7,616)
BEGINNING BALANCE, JANUARY 1	140,084	54,123	(219,611)	(281,698)	(1,011,705)	58,751
ENDING BALANCE, DECEMBER 31	\$153,956	\$66,745	(\$303,747)	(\$272,469)	(\$1,260,889)	\$51,135

	TOTAL RESIDENTIAL TIF DISTRICTS	ROCKFORD GLOBAL TRADE PARK #1	ROCKFORD GLOBAL TRADE PARK #2	ROCKFORD GLOBAL TRADE PARK #3	PRESTON CENTRAL
REVENUES					
PROPERTY TAXES					
SPECIAL DISTRICTS	\$567,695	\$771,414	\$190,505	\$63,434	\$34,604
LESS, UNCOLLECTIBLE TAXES	5,677	7,714	1,905	834	346
NET TAX LEVY	562,018	763,700	188,600	82,600	34,258
INTERGOVERNMENTAL	0				
REVENUE, RENTS & INTEREST	6,324	3,892	742	1,631	96,175
OTHER REVENUE	0	0	0	0	0
TOTAL REVENUES	568,342	767,592	189,342	84,231	130,433
OTHER ADDITIONS					
TRANSFERS	0	300,000	0	0	0
PROCEEDS FROM SALE OF BOND:	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	568,342	1,067,592	189,342	84,231	130,433
APPROPRIATION	873,555	824,488	236,400	100,000	122,881
NON EXPENSE APPROPRIATION					
EXPENDITURES AND TRANSFERS	873,555	824,488	236,400	100,000	122,881
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(305,213)	243,104	(47,058)	(15,769)	7,552
BEGINNING BALANCE, JANUARY 1	(1,260,056)	155,699	29,676	65,260	(1,160,593)
ENDING BALANCE, DECEMBER 31	(1,565,269)	\$398,803	(\$17,382)	\$49,491	(\$1,153,041)

	KISHWAUKEE HARRISON #1	KISHWAUKEE HARRISON #2	TOTAL INDUSTRIAL TIF DISTRICTS	TOTAL ALL TIF DISTRICTS
REVENUES				
PROPERTY TAXES				
SPECIAL DISTRICTS	\$55,507	\$219	\$1,135,683	\$4,763,788
LESS, UNCOLLECTIBLE TAXES	555	2	11,356	47,638
NET TAX LEVY	54,952	217	1,124,327	4,716,150
INTERGOVERNMENTAL				
REVENUE, RENTS & INTEREST	1,189	0	103,629	121,811
OTHER REVENUE	0	0	0	0
TOTAL REVENUES	56,141	217	1,227,956	4,837,961
OTHER ADDITIONS				
TRANSFERS			300,000	1,100,000
PROCEEDS FROM SALE OF BOND:	0	0	0	0
TOTAL REVENUES & ADDITIONS	56,141	217	1,527,956	5,937,961
APPROPRIATION	46,709	100	1,330,578	6,212,907
NON EXPENSE APPROPRIATION				
EXPENDITURES AND TRANSFERS	46,709	100	1,330,578	6,212,907
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	9,432	117	197,378	(274,946)
BEGINNING BALANCE, JANUARY 1	47,569	464	(861,925)	(2,819,798)
ENDING BALANCE, DECEMBER 31	\$57,001	\$581	(\$664,547)	(\$3,094,744)

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
INTERNAL SERVICE FUNDS

	PROPERTY	EQUIPMENT	CENTRAL STORES	RISK MGMT	INFORMATION TECHNOLOGY	911 COMMUNICATIONS	ILLINOIS MUNICIPAL RETIREMENT	UNEMPLOYMENT TAX	WORKERS' COMPENSATION	AUDITING	HEALTH INSURANCE	ELIMINATIONS	TOTAL
REVENUES													
PROPERTY TAXES	\$2,655,090	\$4,113,490	\$420,000	486,450	\$2,841,060	\$804,450	\$3,101,693	\$141,634	\$2,239,204	\$139,648			\$6,922,179
LESS: UNCOLLECTIBLE TAXES							31,018	1,416	22,392	1,396			69,222
NET TAX LEVY							3,070,675	140,218	2,216,812	138,252			6,852,957
TAX LEVY REIMBURSEMENTS							250	250	250				750
PROPERTY TAXES PRIOR ADJUST							3,070,925	140,468	2,217,062	138,252			6,852,957
LESS: PROVISION FOR ACCTG INT													0
LESS: TAX CAP EFFECTS													0
TOTAL PROPERTY TAXES							3,070,925	140,468	2,217,062	138,252			6,852,957
INTERGOVERNMENTAL						\$804,450	282,300						1,086,750
SERVICE CHARGES												255,180	10,299,910
FINES AND PENALTIES													79,400
RENTS AND INTEREST							10,000		15,000		\$54,400		4,021,818
OTHER REVENUE													
RESTRICTED RECEIPTS													
MISCELLANEOUS													
TOTAL REVENUES	2,655,090	4,113,490	420,000	1,887,450	2,841,060	804,450	3,363,225	140,468	2,232,062	138,252			22,415,835
OTHER ADDITIONS													
TRANSFERS													
TOTAL REVENUES & ADDITIONS	2,655,090	4,113,490	420,000	1,887,450	2,841,060	4,462,485	3,325,535	29,252	2,232,062	138,252			25,377,323
APPROPRIATION	2,545,627	4,009,326	418,297	1,886,000	2,644,387	5,266,935	6,678,761	169,720	2,481,195	184,061			46,480,279
AND TRANSFERS	2,545,627	4,009,326	418,297	1,886,000	2,644,387	5,266,935	6,678,761	169,720	2,481,195	184,061			46,480,279
PROJECTED EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	109,463	104,164	1,703	1,450	196,673	0	9,999	0	15,000	1	874,436		1,312,879
BEGINNING BALANCE, JANUARY 1	441,000	949,000	176,000	(3,604,000)	1,462,000	0	60,887	(54,672)	(1,410,000)	0	1,752,000		(227,685)
ADJUSTMENT FOR NON-RECURRING TRANSFERS	0	0	0	0	0	0	0	0	0	0	0		0
ENDING BALANCE, DECEMBER 31	\$550,463	\$1,053,164	\$177,703	(\$3,602,550)	\$1,658,673	\$0	\$70,887	(\$54,672)	(\$1,395,000)	\$1	\$2,626,436		\$1,085,194

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
PROPRIETARY AND FIDUCIARY FUND TYPES

	ENTERPRISE			PENSION		
<u>REVENUES</u>	<u>WATER</u>	<u>PARKING</u>	<u>TOTAL</u>	<u>POLICE</u>	<u>FIRE</u>	<u>TOTAL</u>
PROPERTY TAXES						
TAX LEVY REIMBURSEMENTS						
TOTAL PROPERTY TAXES	\$24,081,000		\$24,081,000			
SERVICE CHARGES		\$501,020	501,020			
FINES AND PENALTIES		1,440,700	1,600,700			
REVENUE, RENTS & INTEREST	160,000			\$5,800,000	\$4,700,000	\$10,500,000
FAIR VALUE ADJUSTMENT				1,500,000	5,000,000	6,500,000
OTHER REVENUE						
MEMBER CONTRIBUTIONS				1,981,300	1,912,200	3,893,500
MISCELLANEOUS	0	0	0	0	0	0
TOTAL REVENUES	<u>24,241,000</u>	<u>1,941,720</u>	<u>26,182,720</u>	<u>9,281,300</u>	<u>11,612,200</u>	<u>20,893,500</u>
OTHER ADDITIONS						
TRANSFERS	97,400	24,400	121,800	4,463,520	5,082,279	9,545,799
TOTAL REVENUES & ADDITIONS	<u>24,338,400</u>	<u>1,966,120</u>	<u>26,304,520</u>	<u>13,744,820</u>	<u>16,694,479</u>	<u>30,439,299</u>
APPROPRIATION	23,632,067	2,367,996	26,000,063	4,956,870	5,691,179	10,648,049
NON-APPROPRIATION EXPENSES						
PENSION EXPENSE NOT SUBJECT TO APPROPRIATION				8,725,000	9,275,000	18,000,000
PROJECTED EXPENDITURES AND TRANSFERS	<u>23,632,067</u>	<u>2,367,996</u>	<u>26,000,063</u>	<u>13,681,870</u>	<u>14,966,179</u>	<u>28,648,049</u>
PROJECTED EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	706,333	(401,876)	304,457	62,950	1,728,300	1,791,250
BEGINNING BALANCE, JANUARY 1	122,878,874	16,925,179	139,804,053	161,012,597	135,339,435	296,352,032
ENDING BALANCE, DECEMBER 31	<u>\$123,585,207</u>	<u>\$16,523,303</u>	<u>\$140,108,510</u>	<u>\$161,075,547</u>	<u>\$137,067,735</u>	<u>\$298,143,282</u>

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
DEBT SERVICE 2011-2017

	2011	2012	2013	2014	2015	2016	2017
<b>REVENUES</b>							
PT TAXES-CITY	\$5,602,677	\$4,915,475	\$4,298,788	\$3,585,960	\$2,713,697	\$1,834,101	\$904,303
UNCOLLECTIBLE	<u>(56,027)</u>	<u>(49,155)</u>	<u>(42,988)</u>	<u>(35,860)</u>	<u>(27,137)</u>	<u>(18,341)</u>	<u>(9,043)</u>
	5,546,650	4,866,320	4,255,800	3,550,100	2,686,560	1,815,760	895,260
<b>ABATEMENTS-EXEMPT</b>							
TIF DISTRICTS	2,608,586	2,716,535	2,903,483	2,981,315	2,267,715	2,492,802	2,604,965
WATER	6,697,874	6,527,549	6,273,521	6,057,600	5,837,624	5,567,824	5,323,541
SALES TAX	579,573	574,773	579,573	463,573	492,036	416,500	0
REDEVELOPMENT/TOURISM	905,318	995,130	1,074,618	1,079,393	1,072,068	1,058,018	1,047,430
OTHER	<u>825,094</u>	<u>820,169</u>	<u>814,844</u>	<u>814,119</u>	<u>832,763</u>	<u>824,975</u>	<u>816,788</u>
	11,616,445	11,634,156	11,646,038	11,396,000	10,502,206	10,360,119	9,792,724
<b>ABATEMENTS-TAXABLE</b>							
TIF DISTRICTS	946,660	519,010	512,360	504,750	496,550	247,300	240,125
SALES TAX	319,844	333,593	321,094	333,593	319,844	330,750	315,375
REDEVELOPMENT	441,868	441,868	441,868	1,814,724	1,813,593	1,815,668	2,265,693
PARKING	171,312	167,750	164,187	160,625	181,875	176,875	171,875
OTHER	<u>0</u>						
	<u>1,879,684</u>	<u>1,462,221</u>	<u>1,439,509</u>	<u>2,813,692</u>	<u>2,811,862</u>	<u>2,570,593</u>	<u>2,993,068</u>
<b>TOTAL REVENUES</b>	<u>19,042,779</u>	<u>17,962,697</u>	<u>17,341,348</u>	<u>17,759,792</u>	<u>16,000,628</u>	<u>14,746,472</u>	<u>13,681,052</u>
<b>DEBT SERVICE</b>							
KISHWAUKEE TRUNK-SANITARY DIST	119,073	119,073	119,073	119,073	59,536	59,536	59,536
1997 350,000 SEWER ALT	0	0	0	0	0	0	0
2000 6,000,000 STREET GOB	0	0	0	0	0	0	0
2000 2,200,000 WATER ALT	0	0	0	0	0	0	0
2000 4,000,000 SOUTH MAIN TIF ALT	0	0	0	0	0	0	0
2000 3,000,000 GO 7TIF ALT	0	0	0	0	0	0	0
2002 8,000,000 STREET GOB	847,675	857,145	864,145	868,595	0	0	0
2002 2,200,000 WATER ALT	238,318	239,718	235,478	240,695	0	0	0
2002 3,000,000 GO 7TIF ALT	321,995	320,385	328,065	324,415	0	0	0
2002 2,500,000 TIF TAXABLE	474,300	0	0	0	0	0	0
2002 1,300,000 SPRINGFIELD CR TIF	121,363	123,363	125,003	126,348	127,388	127,388	127,388
2003 8,200,000 STREET GOB	845,445	861,295	875,025	885,775	884,000	884,000	884,000
2003 2,200,000 WATER ALT	229,008	232,453	235,353	232,478	239,200	239,200	239,200
2004 8,500,000 STREET GOB	876,470	868,870	870,470	870,870	869,300	869,300	869,300
2004 2,200,000 WATER ALT	230,215	233,015	235,415	237,415	233,805	233,805	233,805
2004 2,000,000 TAXABLE TIF	243,560	244,060	244,060	243,350	242,075	242,075	242,075
2004 3,200,000 EQUIPMENT ALT	416,000	411,200	416,000	0	0	0	0
2004 1,650,000 NORTH MAIN TIF	168,963	164,963	160,963	206,963	200,963	200,963	200,963
2004 3,000,000 GLOBAL PARK #1 TIF	347,438	337,438	327,438	317,438	357,438	357,438	357,438
2004 4,375,000 STREET REFUND	0	0	0	0	0	0	0
2004 2,475,000 WATER REFUND	0	0	0	0	0	0	0
2004 3,070,000 SRTIF REFUND	348,318	354,318	354,118	358,518	362,318	362,318	362,318
2005 8,700,000 STREET GOB	897,060	903,260	914,860	924,860	933,260	933,260	933,260
2005 2,200,000 WATER ALT	229,559	228,215	231,555	234,430	236,430	236,430	236,430
2005 915,000 GLOBAL PARK TIF #1	120,600	141,600	161,600	145,600	0	0	0
2005 560,000 LINCOLNWOOD 2 TIF	48,631	47,631	71,631	79,632	67,231	67,231	67,231
2005 1,795,000 SPRINGFIELD TIF	76,469	176,469	197,469	192,469	212,469	212,469	212,469
2005 2,450,000 RIVER OAKS TIF	290,588	282,587	299,588	290,587	281,588	281,588	281,588
2005 1,500,000 GARRISON TIF	64,463	64,462	164,462	160,463	156,462	156,462	156,462
2005 530,000 LINCOLNWOOD 1 REF	44,688	68,687	91,688	85,687	85,688	85,688	85,688
2005 2,850,000 LOWE'S ALT	319,844	333,593	321,094	333,593	319,844	319,844	319,844
2006 \$15,000,000 WATER ALT	1,189,000	1,189,000	1,188,000	1,182,625	1,201,125	1,201,125	1,201,125
2006 2,500,000 HOPE 6 TIF	261,750	255,375	248,813	267,250	259,375	259,375	259,375
2007 16,700,000 METRO CENTER TAX	0	0	0	1,372,856	1,371,725	1,371,725	1,371,725
2007 6,300,000 METRO CENTER	465,575	465,775	465,575	469,975	468,775	468,775	468,775
2007 6,865,000 CORONADO REFUND	772,000	860,812	950,500	960,875	959,750	959,750	959,750
2007 1,100,000 PRESTON CENTRAL TIF	96,175	94,050	91,863	89,613	87,363	87,363	87,363
2007 1,100,000 NW SEWER ALT	44,500	44,500	44,500	344,500	432,500	432,500	432,500
2007 3,500,000 LIBRARY ALT	239,519	234,394	229,269	224,144	243,988	243,988	243,988
2007 3,500,000 WATER	280,669	274,481	268,294	287,106	279,888	279,888	279,888
2008 9,000,000 WATER	702,531	715,718	702,125	712,125	721,125	721,125	721,125
2008 1,100,000 GLOBAL PARK #1TIF	90,125	88,625	87,000	135,250	131,750	131,750	131,750
2008 200,000 JACKSON SCHOOL TIF	31,250	30,500	29,687	28,812	27,937	27,937	27,937
2008 1,850,000 PARKING ALT	171,312	167,750	164,187	160,625	181,875	181,875	181,875
2009 350,000 RIVER NORTH TIF	26,802	26,311	25,818	25,325	30,135	30,135	30,135
2009 1,300,000 MAIN WHITMAN TIF	99,548	97,727	95,895	94,063	111,928	111,928	111,928
2009 950,000 TAX GLOBAL TRADE #1 TI	98,875	96,225	93,575	90,925	88,250	88,250	88,250
2009 8,065,000 TAX METRO REFUNDING	441,868	441,868	441,868	441,868	441,868	441,868	441,868
2009 7,930,000 STREET REFUNDING	2,080,000	1,375,750	731,300	0	0	0	0
2009 4,325,000 WATER REFUND	947,763	716,138	481,488	238,288	236,988	236,988	236,988
2009 1,330,000 7TIF REFUND	285,525	279,150	286,500	288,400	0	0	0
2009 1,350,000 SPRINGFIELD CORNERS	103,176	141,929	138,752	135,377	132,002	132,002	132,002
2009 350,000 RIVER TIF	26,749	36,796	35,973	35,098	34,223	34,223	34,223
2010 3,400,000 WATER	<u>212,375</u>	<u>260,375</u>	<u>257,375</u>	<u>254,000</u>	<u>250,625</u>	<u>246,875</u>	<u>246,875</u>
	\$16,587,130	\$15,507,049	\$14,902,910	\$15,321,354	\$13,562,190	\$13,558,440	\$13,558,440

CITY OF ROCKFORD, ILLINOIS  
EQUALIZED ASSESSED VALUATIONS, LEVIES, AND TAX RATES  
2008-2011 BUDGETS

(RATES ARE DOLLARS PER ONE HUNDRED EAV)  
(YEARS ARE LEVY YEARS, NOT COLLECTION YEARS)

FUND	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ESTIMATE	2010-2011		2010 RATES	2011 ESTIMATED RATES	2010-2011		RATE LIMITS
					INCREASE (DECREASE)	INCREASE (DECREASE)			INCREASE DECREASE	DECREASE	
TAX LEVIES FOR OPERATIONS											
GENERAL FUND											
CORPORATE	\$5,351,262	\$4,519,675	\$3,596,102	\$5,727,000	\$2,130,898	0.1790	0.3000	0.1210	0.4375		
POLICE PROTECTION	8,560,340	\$9,862,056	10,022,878	10,050,433	27,555	0.4989	0.5265	0.0276	0.60		
POLICE PENSION	2,513,917	2,782,620	4,309,295	3,737,167	(572,128)	0.2145	0.1958	(0.0187)	U/L		
SCHOOL CROSSING	71,406	10,414	10,045	10,000	(45)	0.0005	0.0005	0.0000	0.050		
FIRE PROTECTION	8,560,340	\$9,862,056	10,022,878	10,758,563	735,685	0.4989	0.5636	0.0647	0.60		
FIRE PENSION	3,782,427	4,509,261	5,193,254	4,212,437	(980,817)	0.2585	0.2207	(0.0378)	U/L		
JUDGMENTS	1,150,899	1,191,361	1,183,298	1,300,000	116,702	0.0589	0.0681	0.0092	U/L		
STREET & BRIDGE	2,099,779	2,083,799	1,999,311	1,910,000	(89,311)	0.0995	0.1001	0.0006	0.100		
TOTAL GENERAL FUND	32,090,370	34,821,242	36,337,061	37,795,600	1,368,539	1.8087	1.9753	0.1666	U/L		
SANITARIUM	1,772,553	22,911	22,099	20,000	(2,099)	0.0011	0.0010	(0.0001)	0.100		
SANITARIUM	161,714	187,452	154,693	155,000	307	0.0077	0.0081	0.0004	0.050		
LIBRARY	6,371,950	6,475,424	6,858,710	7,000,000	141,290	0.3414	0.3667	0.0253	0.60		
LIBRARY-MAINTENANCE	417,936	416,560	301,349	300,000	(1,349)	0.0150	0.0157	0.0007	0.020		
IMRF PENSION	3,606,012	3,151,276	3,184,258	3,032,700	(151,558)	0.1585	0.1589	0.0004	U/L		
UNEMPLOYMENT TAX	60,905	56,236	52,234	142,000	89,766	0.0026	0.0074	0.0048	U/L		
WORKMEN'S COMPENSATION	1,686,446	1,889,099	1,717,691	1,783,200	66,509	0.0855	0.0934	0.0079	U/L		
AUDITING	241,521	216,611	225,007	184,100	(40,907)	0.0112	0.0096	(0.0016)	U/L		
LEVIES-OPERATIONS	46,409,407	47,236,811	48,853,102	50,322,600	1,469,498	2.4317	2.6361	0.2044	U/L		
LEVIES DEBT SERVICE											
EXISTING DEBT	7,674,063	7,004,455	6,340,389	5,603,000	(737,389)	0.3156	0.2935	(0.0221)	U/L		
PROPOSED DEBT	0	0	0	0	0	0.0000	0.0000	0.0000	U/L		
LEVIES DEBT SERVICE	7,674,063	7,004,455	6,340,389	5,603,000	(737,389)	0.3156	0.2935	(0.0221)	U/L		
TOTAL TAX LEVIES	54,083,470	54,241,266	55,193,491	55,925,600	732,109	2.7473	2.9296	0.1823	U/L		
LESS, TOWNSHIP ROAD AND BRIDGE	911,076	909,100	894,364	860,000	(34,364)	0.0445	0.0450	0.0005	U/L		
LESS, TAX CAP LOSS											
LIBRARY				5,500	5,500	0.0000	0.0003	0.0003	U/L		
CITY	0	0	0	314,985	314,985	0.0000	0.0165	0.0165	U/L		
TOTAL TAX CAP LOSS				320,485	320,485	0.0000	0.0168	0.0168	U/L		
CITY TAX EXTENSION	53,172,394	53,332,166	54,299,127	54,745,115	445,988	2.7028	2.8678	0.1650	U/L		
LESS DEBT SERVICE	45,498,331	46,327,711	47,139,068	47,450,615	321,274	0.1422	0.1650	0.0228	U/L		
LIBRARY TAX RATE	0.3233	0.3309	0.3564	0.3821	0.0257						
CITY TAX RATE	1.8431	1.8934	2.0308	2.1921	0.1613						
OPERATIONS	0.3654	0.3363	0.3156	0.2935	(0.0221)						
DEBT SERVICE	2.2085	2.2297	2.3464	2.4856	0.1392						
CITY TAX RATE	2.5318	2.5606	2.7028	2.8677	0.1649						
TOTAL TAX RATE	0.144	0.131	0.117	0.102	(0.0150)						
RATIO DEBT TO TOTAL EQUALIZED ASSESSED VALUATION	2,100,181,467	2,082,799,663	2,008,995,393	1,909,000,000	(99,995,393)						

CITY OF ROCKFORD, ILLINOIS  
2012 BUDGET  
SCHEDULE OF TRANSFERS & PURCHASE OF SERVICES  
(IN DOLLARS)

TRANSFER FROM

TRANSFER TO

	GENERAL	CAPITAL PROJECT	RMAP	SANITATION	PROPERTY	EQUIPMENT	STORES	WATER	HUMAN RESOURCES	POLICE PENSION	FIRE PENSION
GENERAL		1,200,000			1,335,140	3,223,930	147,000	73,400	170,000	4,463,520	5,082,279
INFO TECHNOLOGY	34,500				18,550	1,210					
MOTOR FUEL TAX	1,200,000	3,000,000									
CAPITAL PROJECT	383,180		88,400		37,390	33,550					
PARKING	368,700				138,440	21,420	21,000				
SANITATION	2,204,550										
PW BLDG MT	89,200				17,820	54,020	42,000				
PW EQUIP MT	77,900				106,920	19,760	37,800				
PW STORES	23,000				8,910	5,530	0				
WATER	2,411,890				331,900	568,710	172,200				
BLOCK GRANT	970,400				21,730	7,670			26,000		
METRO TAX	107,200				601,150			24,000			
TOURISM/PROMOTION	1,800										
TIF-RKFD GLOBAL PARK	210,300										
HUMAN SERVICES						185,250					
POLICE PENSION	109,200										
FIRE PENSION	109,200										
IMRF PENSION	3,070,675										
WK COMP-PERS	82,800										
HEALTH-PERS	115,500										
UNEMPLOYMENT INS	140,218										
WORK COMP	83,500										
AUDITING	133,011			700							
JUDGMENTS	419,500	0		0	0	0	0	0	0	0	0
	<u>12,348,224</u>	<u>4,200,000</u>	<u>88,400</u>	<u>700</u>	<u>2,617,950</u>	<u>4,121,050</u>	<u>420,000</u>	<u>97,400</u>	<u>196,000</u>	<u>4,463,520</u>	<u>5,082,279</u>

TRANSFER FROM

TRANSFER TO

	IMRF PENSION	HEALTH INSURANCE	UNEMPLOY INSURANCE	WORK COMP	AUDITING	INFO TECH	RISK MGMT	DEBT SERVICE	911 COMM	MVPS
GENERAL	183,159	14,362,400	3,242	1,949		2,047,300	1,078,430	908,367	4,462,485	216,720
GENERAL-TRAFFIC										24,400
INFO TECHNOLOGY	82,853	98,774	1,080	1,114			6,910			3,096
911 COMM	735,817	816,218	9,540	2,066	850	14,320	12,030			29,733
CAPITAL PROJECT	195,918	325,078	3,060	13,863	10,000	55,770	139,260			8,772
PARKING	73,887	46,644	1,530	7,523	450	19,100	5,310	225,350		1,908
PW BLDG MT	100,846	177,658	1,800	19,554	600	15,780	94,410			0
PW EQUIP MT	129,549	169,312	1,800	29,892	850	16,710	7,590			
PW STORES	41,709	62,192	720	561	100	15,390	2,120			
WATER	859,096	1,194,492	12,960	144,857		181,310	117,850			2,064
BLOCK GRANT	89,094	161,538	1,440	7,163	4,450	54,410	28,570			4,128
METRO TAX					850			1,462,773		
TIF-EAST SIDE								300,000		
TIF-WEST SIDE								200,000		
TIF-SEVENTH ST								871,128		
TIF-SOUTH MAIN								354,118		
TIF-LINCOLNWOOD #1								66,688		
TIF-LINCOLNWOOD #2								47,631		
TIF-SPRINGFIELD CORNERS								436,432		
TIF-NORTH MAIN								164,963		
TIF-RKFD GLOBAL PARK								663,888		
TIF-RIVER OAKS								282,588		
TIF-GARRISON								64,463		
TIF-HOPE 6								255,375		
TIF-JACKSON SCHOOL								30,500		
TIF-PRESTON CENTRAL								94,050		
TIF-RIVER NORTH								26,296		
TIF-MAIN WHITMAN								97,742		
TIF-RIVER EAST								42,125		
HUMAN SERVICES	789,034	1,375,164		32,496	11,850	387,700	71,400			0
RMAP	79,920	84,942	1,080	1,074	600	33,270	1,630			3,816
LIBRARY	656,316	601,557		12,021	15,000			234,394		8,500
HEALTH-PERS					1,000					
AUDITING	250		250	250						
JUDGMENTS	0	0	0	0	0			0	0	0
	<u>4,017,248</u>	<u>19,475,969</u>	<u>38,502</u>	<u>274,383</u>	<u>46,600</u>	<u>2,841,060</u>	<u>1,565,510</u>	<u>6,830,871</u>	<u>4,462,485</u>	<u>303,137</u>

CITY OF ROCKFORD, ILLINOIS  
2011 RESULTS OF OPERATIONS (UNAUDITED)  
2012 BUDGET

<u>FUND</u>	<u>BEGINNING BALANCE 1/1/11</u>	<u>REVENUES</u>	<u>EXPENDITURES EXPENSES</u>	<u>EXCESS (DEFICIT)</u>	<u>ENDING BALANCE 12/31/11</u>
GENERAL-OPERATING	\$22,672,029	116,111,146	111,343,191	\$4,767,955	\$27,439,984
SPECIAL REVENUE					
MOTOR FUEL TAX	9,647,399	4,170,103	5,700,000	(1,529,897)	8,117,502
SANITATION	3,349,134	8,663,659	7,894,896	768,763	4,117,897
COMMUNITY DEVELOPMENT	1,642,679	4,533,528	4,298,126	235,402	1,878,081
REDEVELOPMENT TAX	(2,914,537)	4,419,459	3,212,269	1,207,190	(1,707,347)
TOURISM PROMOTION TAX	94,619	1,941,243	1,637,547	303,696	398,315
TAX INCREMENT DISTRICTS	(2,418,807)	5,933,351	7,954,207	(2,020,856)	(4,439,663)
HUMAN SERVICES	(175,980)	16,046,479	16,511,969	(465,490)	(641,470)
TUBERCULOSIS SANITARIUM	108,286	156,760	134,422	22,338	130,624
LIBRARY	5,302,738	8,417,728	7,219,534	1,198,194	6,500,932
OTB SPECIAL PROJECTS	(72,490)	98,360	25,000	73,360	870
RMAP PLANNING	(111,989)	1,299,119	1,438,430	(139,311)	(251,300)
DEBT SERVICE	8,317,681	12,920,449	14,818,337	(1,897,888)	6,419,793
CAPITAL PROJECT	14,375,594	12,208,765	30,575,155	(18,366,390)	(3,990,796)
ENTERPRISE					
WATER SYSTEM	121,729,242	23,015,834	20,660,615	2,355,219	124,084,461
PARKING SYSTEM	17,276,417	1,881,626	2,046,746	(165,120)	17,111,297
INTERNAL SERVICE					
PUBLIC WORKS PROPERTY	346,944	3,050,147	2,631,190	418,957	765,901
PUBLIC WORKS EQUIPMENT	888,200	3,873,179	4,080,237	(207,058)	681,142
PUBLIC WORKS CENTRAL STORES	176,446	424,039	390,062	33,977	210,423
911 COMMUNICATIONS	0	5,426,388	5,434,401	(8,013)	(8,013)
IMRF PENSION	50,988	6,337,199	6,325,451	11,748	62,736
UNEMPLOYMENT INSURANCE	(108,492)	239,404	104,483	134,921	26,429
WORKER'S COMPENSATION	(1,426,818)	2,264,628	1,566,167	698,461	(728,357)
AUDITING	0	250,492	250,492	0	0
RISK MANAGEMENT	(3,607,904)	1,284,653	1,893,808	(609,155)	(4,217,059)
INFORMATION TECHNOLOGY	1,283,269	2,341,902	2,607,960	(266,058)	1,017,211
HEALTH INSURANCE	3,907,535	20,908,852	19,615,259	1,293,593	5,201,128
PENSION					
POLICE PENSION	160,191,839	5,899,872	12,845,792	(6,945,920)	153,245,919
FIRE PENSION	144,554,008	16,887,891	14,008,728	2,879,163	147,433,171

CITY OF ROCKFORD, IL  
2012 BUDGET

SUMMARY OF THREE YEAR EXPENSES AND REVENUES

	2009 ACTUAL REVENUE	2009 ACTUAL EXPENSE	2009 EXCESS (DEFICIT)	2010 ACTUAL REVENUE	2010 ACTUAL EXPENSE	2010 EXCESS (DEFICIT)	2011 ACTUAL REVENUE	2011 ACTUAL EXPENSE	2011 EXCESS (DEFICIT)	2012 BUDGETED REVENUE	2012 BUDGETED EXPENSE	2012 EXCESS (DEFICIT)
GENERAL-OPERATING	109,668,837	112,015,112	(2,346,275)	112,247,580	111,581,774	665,806	116,111,146	111,343,191	4,767,955			
SPECIAL REVENUE												
MOTOR FUEL TAX	4,350,787	3,247,060	1,103,727	4,547,234	2,346,538	2,200,696	4,170,103	5,700,000	(1,529,897)	3,881,400	4,200,000	(318,600)
SANITATION	8,513,324	8,497,829	15,495	8,616,807	7,884,756	732,051	8,663,659	7,894,896	768,763	9,254,200	9,409,790	(155,590)
COMMUNITY DEVELOPMENT	4,444,994	4,616,275	(171,281)	5,466,828	5,369,580	97,248	4,533,528	4,298,126	235,402	3,116,917	4,031,880	(914,963)
REDEVELOPMENT TAX	6,924,482	5,192,615	1,731,867	3,557,289	3,063,316	493,973	4,419,459	3,212,269	1,207,190	3,651,500	3,140,793	510,707
TOURISM PROMOTION TAX	1,490,392	1,507,734	(17,342)	1,542,290	1,523,649	18,641	1,941,243	1,637,547	303,696	1,572,100	1,572,100	-
TAX INCREMENT DISTRICTS	11,304,580	10,020,451	1,284,129	5,772,809	8,131,365	(2,358,556)	5,933,351	7,954,207	(2,020,856)	5,937,961	6,212,907	(274,946)
HUMAN SERVICES	18,443,754	18,800,396	(356,642)	21,150,387	21,440,718	(290,331)	16,046,479	16,511,969	(465,490)	12,656,647	12,907,866	(251,219)
TUBERCULOSIS SANITARIUM	160,998	153,233	7,765	186,683	131,459	55,224	156,760	134,422	22,338	168,417	168,300	117
LIBRARY	9,078,414	8,445,430	632,984	8,129,733	6,854,952	1,274,781	8,417,728	7,219,534	1,198,194	8,122,930	8,122,930	-
OTB SPECIAL PROJECTS	116,842	50,000	66,842	99,019	85,790	13,229	98,360	25,000	73,360	90,000	50,200	39,800
RMAP PLANNING	1,197,364	1,493,509	(296,145)	1,131,370	1,013,302	118,068	1,299,119	1,438,430	(139,311)	742,971	773,339	(30,368)
DEBT SERVICE	31,325,788	32,003,917	(678,129)	13,295,928	12,967,529	328,399	12,920,449	14,818,337	(1,897,888)	11,264,823	17,962,697	(6,697,874)
CAPITAL PROJECT	23,110,157	27,184,326	(4,074,169)	17,553,777	16,000,367	1,553,410	17,553,777	16,000,367	1,553,410	62,842,500	58,567,500	4,275,000
ENTERPRISE												
WATER SYSTEM	22,679,862	19,123,613	3,556,249	22,910,970	20,019,379	2,891,591	23,015,834	20,660,615	2,355,219	24,338,400	23,632,067	706,333
PARKING SYSTEM	1,795,114	2,202,193	(407,079)	2,192,087	2,177,041	15,046	1,881,626	2,046,746	(165,120)	1,966,120	2,367,996	(401,876)
INTERNAL SERVICE												
PUBLIC WORKS PROPERTY	2,930,468	2,709,625	220,843	2,571,785	2,528,519	43,266	3,050,147	2,631,190	418,957	2,655,090	2,545,627	109,463
PUBLIC WORKS EQUIPMENT	3,848,837	3,784,746	64,091	3,901,251	3,774,495	126,756	3,873,179	4,080,237	(207,058)	4,113,490	4,009,336	104,154
PUBLIC WORKS CENTRAL STORES	422,458	313,008	109,450	414,404	390,063	24,341	424,039	390,062	33,977	420,000	418,297	1,703
911 COMMUNICATIONS	5,106,224	5,100,561	5,663	5,081,273	5,078,092	3,181	5,426,388	5,434,401	(8,013)	5,266,388	5,266,935	-
IMRF PENSION	6,097,848	6,100,818	(2,970)	6,529,759	6,526,220	3,539	6,337,199	6,325,451	11,748	6,688,760	6,678,761	9,999
UNEMPLOYMENT INSURANCE	65,190	111,572	(46,382)	64,543	188,808	(124,265)	739,404	104,483	134,921	169,720	169,720	-
WORKER'S COMPENSATION	2,242,211	2,337,423	(95,212)	3,660,220	2,556,466	1,103,754	2,264,628	1,566,167	698,461	2,506,195	2,491,195	15,000
AUDITING	236,553	236,814	(261)	277,181	276,921	260	250,492	250,492	-	184,061	184,061	-
RISK MANAGEMENT	1,125,413	2,217,178	(1,091,765)	1,046,825	2,757,489	(1,710,664)	1,284,653	1,893,808	(609,155)	1,887,450	1,886,000	1,450
INFORMATION TECHNOLOGY	2,665,050	2,585,517	79,533	2,654,487	2,523,020	131,467	2,341,902	2,607,960	(266,058)	2,841,060	2,644,387	196,673
HEALTH INSURANCE	21,157,184	19,641,928	1,515,256	20,381,094	18,726,289	1,654,805	20,908,852	19,615,259	1,293,593	22,403,336	21,528,900	874,436
PENSION												
POLICE PENSION	23,595,054	11,347,980	12,247,074	22,526,873	12,092,197	10,434,676	5,899,872	12,845,792	(6,945,920)	13,744,820	13,681,870	62,950
FIRE PENSION	22,673,072	12,542,112	10,160,960	20,247,332	13,511,442	6,735,890	16,887,891	14,008,728	2,879,163	16,694,479	14,966,179	1,728,300
	346,771,251	323,552,975	23,218,276	317,757,818	291,521,536	26,236,282	296,351,267	292,649,686	3,701,581	229,182,282	229,591,633	(409,351)

**FINANCIAL POLICES: GENERAL STATEMENTS  
CITY OF ROCKFORD, ILLINOIS**

1. The City of Rockford shall prepare a five year financial plan that is updated and approved annually by the City Council by March 31. An ad hoc advisory committee of community representatives will assist the City by reviewing the five-year expense and revenue projections and by making recommendations for changes in financial policy.
2. The City of Rockford shall intensify its efforts to retain and create jobs as well as expand the property tax base by providing Industrial Development Bonds, obtaining Urban Development Action Grants, providing low interest loans, and offering other such assistance to businesses and industries.
3. Recognizing that short-term borrowing is an acceptable fiscal procedure to be used when the fiscal needs of the City dictate, the City shall reduce or eliminate its dependence on short-term borrowing by maintaining adequate fund and cash balances.

The City will maintain a general fund balance at a level sufficient to provide for:

- A. The reduction or elimination of short-term borrowing for operating expenses.
- B. Meeting cash flow requirements, temporary short falls in revenue or emergency expenditure demands.

The minimum level of the General Fund balance shall be:

- A. Fifty percent of the property tax levy of the current fiscal year, and;
- B. Six percent of the elastic tax revenue sources (sales, income, and replacement taxes).

The City's cash balances policy is:

4. To ensure that adequate cash balances are available to meet the City's anticipated disbursements, prior to budget deliberations; the Finance Department will annually develop cash flow analysis and recommend cash balance goals at specific points in time to meet those disbursements.
5. For 1988 and years thereafter, a minimum cash balance equal to 70% of those levies that support the General Fund is recommended to be in effect at the beginning of the City's fiscal year, January 1. In addition, necessary cash balances will be maintained for unusual, non-budgeted encumbrances, and balances accrued for the extra payroll occurring every eleven years.

6. Investment of City funds shall be made in accordance with written policies adopted by the City Council on February 18, 1985.
7. The City of Rockford shall plan, develop, and adopt a Five-Year Capital Improvement Program (CIP) annually in conjunction with the five-year operating budget. Citizen input shall be obtained in the development of the program, and after adoption by the City Council, the five-year plans shall be communicated to the public.

**FINANCIAL POLICES: CAPITAL IMPROVEMENT PROGRAM  
CITY OF ROCKFORD, ILLINOIS**

1. The Capital Improvement Plan shall identify projects, their costs and the revenue sources and amounts needed to finance them.
2. The Capital Improvement Program will be financed by borrowing, i.e., obligating future revenues, or the 'pay-as-you-go' method. This decision will be based on the following factors:
  - a. Type of Project - The projected useful life of the project will be a determinant. The longer the life of the project, the greater justification for borrowing.
  - b. Cost of the Project - The larger the cost of the project, the greater justification for borrowing.
  - c. Funding Source - The degree of certainty that exists on the future level and availability of a particular source is a factor.
  - d. Fund Availability - If adequate fund balances are available, there is less justification for borrowing.
  - e. City Financial Position - Issues such as the existing level of long-term indebtedness of the City, and overall financial condition, should be considered when borrowing.
  - f. Municipal Bond Market - Status of the market condition, i.e., interest rates, marketability of bonds, and terms.
3. Schedules will be created for planning ongoing capital replacement in enterprise funds and the funding program to refinance them. These schedules shall be integrated into the Capital Improvement Program.
4. The City shall utilize such debt instruments as are necessary to carry out the Capital Improvement Program.

5. The Capital Improvement planning process will include all revenue sources that are available for capital expenditure. These shall include the following:
  - a. Property Tax
  - b. Motor Fuel Tax
  - c. Gas and Diesel tax
  - d. Redevelopment Fund tax
  - e. Water Revenues
  - f. Parking Revenues
  - g. Community Development Block Grants
  - h. Special Service Tax Revenues
  - i. Tax Increment Financing
  - j. Special Assessment Revenues
  - k. Federal Aid to Urban Areas Funds
  - l. Special Bridge Replacement Funds
  - m. Other Federal, State or Local sources of revenue
6. For General Obligation Debt, the City will maintain a debt to assessed value ratio that is 20% more stringent than the state debt limit.
7. These guidelines shall be followed for the following funding sources:
  - a. Motor Fuel Tax
    1. No more than 50% of the estimated annual revenue shall be obligated for long-term debt financing.
    2. A portion of the annual revenue shall be used for construction/reconstruction projects.
    3. A portion of the annual revenue shall be used for resurfacing each year.
  - b. Gas and Diesel Tax - After debt service and collection cost the remaining annual revenue should be used for annual street resurfacing (Expired 12/31/85).
8. Where feasible, the City shall use all sources of revenue available before using local property tax funds. Where funding sources (i.e., MFT, federal, etc.) carry strict requirements and restrictions that are not considered in the best interest of the City, the City shall utilize its own resources to achieve local objectives through local control.
9. The City shall give priority to those projects that create demonstrated savings and/or revenue in the annual operating budget.

10. Capital funds may be used to incur expenses to analyze the condition of the City's infrastructure, i.e., road and bridge inspection.
11. Where possible, the City will use revenue or other self-supporting bonds instead of general obligation bonds.
12. The length of the term of the bonds will not exceed the useful life of the assets and will be matched as closely as possible to bond buyer preference.
13. The City will not use long-term debt for current operations.
14. The City will make an effort to obtain an 'A' rating by the end of 1987 (achieved July 18, 1986) and an 'AA' rating by the end of 1995. The City currently has an A1 rating.

**FINANCIAL POLICES: INVESTMENTS  
CITY OF ROCKFORD, ILLINOIS**

October, 1998

**I. Policy**

It is the policy of the City of Rockford to invest Public Funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of Public Funds.

**II. Scope**

This Investment Policy applies to the investment activities of all funds of the City of Rockford, except for the Police Pension Fund and the Fire Pension Fund, which are subject to the order of the Board of Trustees of each respective fund. All financial assets of other funds, including the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, Special Assessment Funds, Enterprise Funds, Trust and Agency Funds, and other funds that may be created from time to time, shall be administered in accordance with the provisions of this policy.

**III. Objective**

The primary objective, in priority order of the City of Rockford investment activities shall be:

**1. Safety:**

Safety of principal is the foremost objective of the investment program. Investments of the City of Rockford shall be undertaken in a manner that seeks to insure the preservation of capital in the portfolio.

**A. Credit Risk:**

Credit Risk is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which an entity will do business, and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

**B. Interest Rate Risk:**

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- By investing operating funds primarily in shorter-term securities.

**2. Liquidity:**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

**3. Return on Investments:**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative

to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- 1) a declining credit security could be sold early to minimize loss of principal;
- 2) a security swap would improve the quality yield, or target duration in the portfolio; or
- 3) liquidity needs of the portfolio require that the security be sold.

#### **IV. Standards of Care**

##### **1. Prudence**

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

##### **2. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the [entity].

##### **3. Delegation of Authority**

Authority to manage the City of Rockford’s investment program is granted to the Finance Director and derived from the state statutes.

Responsibility for the operation of the investment program is hereby delegated to the Finance Director, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: selection of broker/dealers and financial institutions, safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Finance Director may from time to time amend the written procedures in a manner not inconsistent with this policy or with state statutes.

The responsibility for investment activities of the Fire Pension Fund and the Police Pension Fund rests with the Board of Trustees of each fund, as stated in the state statute.

## **V. Safekeeping and Custody**

### **1. Authorized Financial Dealers and Institutions**

A list will be maintained of financial institutions authorized to provide investment services. The City will maintain operating and investment accounts in the financial institutions within the City of Rockford whenever possible. However, the City may approve qualified depositories regardless of location. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule), and have offices in the State of Illinois.

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Proof of state registration
- Completed broker/dealer questionnaire

- Certification of having read and understood and agreeing to comply with the [entity's] investment policy

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the Finance Director.

## **2. Internal Controls**

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the [entity] are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Finance Director shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

## **3. Delivery vs. Payment**

All trades, where applicable, will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution before the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

# **VI. Suitable Investments**

## **1. Investment Types**

The City may invest in any type of security allowed for in Illinois statutes regarding the investment of public funds for non home rule municipalities. Approved investments include:

- Bonds, notes, certificates of indebtedness, treasury bills, treasury strips or other securities, including obligation of the Governmental National

Mortgage Association, which are guaranteed by the full faith and credit of the government of the United States of America, or other similar obligations of the United States of America or its agencies.

- Interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits or any other investment constituting direct obligations of any institution as defined by the Illinois Banking Act and is insured by the Federal Deposit Insurance Corporation.
- Illinois Public Treasurer's Investment Pool
- Short-term obligations of corporations (commercial paper) organized in the United States with assets exceeding \$500 million and rated at the time of purchase at the highest classification established by at least two standard rating services. Must mature within 180 days from the date of purchase. Such purchase may not exceed 10% of the corporation's outstanding obligations and no more than 25% of the City's funds may be invested in commercial paper.
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States. Investments may be made only in those savings and loan associations of which the shares, or investment certificates are insured by the Federal Deposit Insurance Corporation.
- Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market fund is limited to obligations described in Paragraph 1 above and to agreements to repurchase such obligations.

## **2. Collateralization**

Effective with purchases after January 1, 1999, collateralization will be required on Certificates of Deposit. In order to anticipate market changes and provide a level of security for the funds, the amount of collateral will be at least 110% of the total investment less the amount insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation (currently \$100,000.00).

All securities, pledged as collateral, shall be placed for safekeeping in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution not owned or controlled by the depository institution or its holding company.

The City will accept any of the following securities as collateral:

- Negotiable obligations of the United States Government; or
- Negotiable obligations of any agency or instrumentality of the United States Government guaranteed by the full faith and credit of the United States Government; or
- Negotiable obligations of the State of Illinois.

Collateral agreements will preclude the release of the pledged assets without an authorized signature from the City of Rockford, but they will allow for an exchange of collateral equal to or greater in value.

## **VII. Investment Parameters**

### **1. Diversification**

The City shall diversify its investments and may use the following investment categories and percentages as a guide in establishing actual limits:

- |    |                                                                                    |                                |
|----|------------------------------------------------------------------------------------|--------------------------------|
| a) | U.S. Treasury Securities                                                           | Not to exceed 50% of Portfolio |
| b) | U.S. Government Agencies and Instrumentalities of Government Sponsored Corporation | Not to exceed 50% of Portfolio |
| c) | Certificates of Deposit of Financial Institutions                                  | Not to exceed 50% of Portfolio |
| d) | Certificates of Deposit of any One Financial Institution                           | Not to exceed 20% of Portfolio |
| e) | Commercial Paper                                                                   | Not to exceed 25% of Portfolio |
| f) | Illinois Public Treasurers Investment Pool or other Money Market Securities        | Not to exceed 50% of Portfolio |
| g) | Securities purchased for Interest Rate Play                                        | Not to exceed 25% of Portfolio |

### **2. Maximum Maturities**

To the extent possible, the City of Rockford will attempt to match its investments with anticipated cash flow requirements. We recognize that there is a permanent part of the portfolio, and when the increase in return for extending maturities is compelling, the Finance Director may consider extending a segment of the portfolio into longer-term maturities. The maximum maturity for City investments shall be fifteen (15) years. The average maturity of the total portfolio shall not exceed five (5) years.

## **VIII. Reporting**

### **1. Methods**

The Finance Director shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner that will allow the [entity] to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Mayor and City Council. The report will include the following:

- Listing, by investment type, of individual securities held at the end of the reporting period.
- Listing of investments by maturity date.
- Percentage of the total portfolio which each type of investment represents.
- Percentage of the total portfolio by financial institution/broker dealer.

### **2. Performance**

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio, taking into account the City's investment constraints and cash flow needs, should obtain a market average rate of return during a market/economic environment of stable interest rates.

The City's investment strategy is passive, but the Finance Director reviews market conditions and is available to take advantage of market opportunities. Given this strategy, the basis used by the Finance Director to determine whether market yields are being achieved shall be the current six-month U.S. Treasury Bill and/or the Average Fed Funds Rate. Since these indices are relatively risk-free benchmarks, they comprise a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold.

### **3. Market to Market**

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." (*See GFOA Recommended Practices, Appendix I.*) In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

## **IX Policy Considerations**

### **1. Exemption**

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

### **2. Amendments**

This policy shall be reviewed on an annual basis. Any changes must be approved by the Finance Director and any other appropriate authority, as well as the individuals(s) charged with maintaining internal controls.

## **X Attachments**

The following documents, as applicable, are attached to this policy:

1. GFOA Recommended Practices
2. List of authorized personnel
3. Relevant investment statutes and ordinances
4. List of authorized Broker/Dealers and Financial Institutions
5. Glossary of Terms

## **XI Adoption**

The City's investment policy shall be adopted by resolution of the City Council. The Policy shall be reviewed annually by the Finance Director and any modifications made thereto must be approved by the City Council.

This Policy supersedes all prior investment policies.

## COMMUNITY PROFILE – ROCKFORD, ILLINOIS

### Location



The City of Rockford is located along the Rock River in north central Illinois approximately 90 miles northwest of downtown Chicago and 17 miles south of the Wisconsin border. Rockford is the third largest city in the State of Illinois with a population of 152,871 (2010 Census Bureau estimate). The Rockford, Illinois Metropolitan Statistical Area, which consists of Winnebago, Boone, and Ogle Counties in Illinois, has an estimated population of 402,928 (2010). The City presently encompasses an area of approximately 61.81 square miles, up from 41 square miles in 1980.

### History



New England settlers who valued the waterpower of the Rock River founded Rockford. The early village was called Midway because of its location halfway between Galena and Chicago. In 1837, the town became Rockford, named for a shallow place in the river with a rocky bottom where Indian and settlers once crossed. In 1839, it was incorporated as a town and selected as the County seat and by 1852, the town had become a city. Though Rockford's original settlers were from New England, a large Swedish population began settling in Rockford in the early 1850's bringing with them craftsman skills in woodworking and metals. This led to Rockford's first big industry, the furniture industry. A large percentage of the present population in Rockford is of Swedish descent while many other ethnic groups have become permanent members of the Rockford community in the last century.

Other important industries in Rockford before World War I included knitting and farm implements. By the 1920's, many of the industries turned to the production of metal products such as tools, hardware, dies, and fixtures for larger companies. These industries eventually overtook Rockford's traditional industries as the backbone of its economy and proved to be particularly important during World War II. To this day, the local economy is heavily reliant on metal fabrication industries.

### Rockford Today



Rockford is the industrial and business hub of the Rock River Valley as well as North Central and Northwestern Illinois. Located just 65 miles northwest of Chicago's O'Hare International Airport and 90 miles east of the Mississippi River, its location allows for easy access to regional, national, and international markets. The economy is still based largely in manufacturing and is the largest fastener product producer (screw, nuts, and bolts) in the United States. Rockford is also one of the largest machine tool centers in the world. Furniture, hardware, farm implements, automobile parts, aviation and space instruments and machinery are among the more than 300 types of products made in Rockford.

## City of Rockford



The City of Rockford has a mayor-aldermanic form of government that provides citizens with police, fire, building regulation, community development, human services, public library, water, and public works services. Rockford also serves as the seat of Winnebago County. In 1992, Rockford was one of ten communities nationwide designated as an “All-American City” in the annual competition administered by the National Civic League. The designation is awarded to cities that promote public-private partnerships to improve economic conditions and quality of life at the local level. In 1997, Entrepreneur magazine and Dun & Bradstreet ranked Rockford number four in the best cities for starting and running a small business in the mid-sized city category. In 2004, the City of Rockford received the Sports Illustrated 50<sup>th</sup> Anniversary Sportstown Award for Illinois (only one city per state was chosen). This award is presented to the City that provides a variety of sporting events and also encourages residents to play sports. In 2005, Rockford was designated as a winner for the America In Bloom award for the population category 100,001 –300,000. This award represents recognition by a national campaign and contest that promotes enhancing communities through beautification. Known as the “Forest City”, Rockford prides itself on its beautiful tree-lined streets and neighborhoods as well as more than 4,900 acres of parkland.

Rockford blends the best of big city living with valuable small town assets. Families enjoy year-round ice skating and fair weather water sports, miles of bike and jogging paths, and some of the most imaginative playgrounds around.

## The Arts



The historic Coronado Theatre was restored and opened for a variety of shows, which include plays and concerts. Built in the 1920’s, the Coronado has presented top-notch performers on its stage for over seventy years. This project is designed to preserve, rehabilitate, and expand the theatre thereby preserving an important part of the City’s history and maintaining it as a major downtown performing arts entertainment venue.

The City is also home to many unique art galleries and museums. The Rockford Art Museum, Storefront Cinema, the Discovery Center, and the Burpee Museum of Natural History are museums located on North Main Street, just north of downtown Rockford. The newly found Jane the Nanotyrannus makes her home at the Burpee Museum. Rockford is also home to Midway Village and Museum, the Ethnic Heritage Museum, Tinker Swiss Cottage Museum, Erlander Home Museum, and the Graham-Ginestra House.

Other artistic endeavors in the City include the premiere stage theatre in town, the Rockford Dance Company, Charlotte’s Web for the Performing Arts, the Rockford Symphony Orchestra, and plays at the Clock Tower Resort Dinner Theatre.

## Recreation



The Rockford Park District serves a 125 square mile area in Winnebago County including virtually the entire City. The District offers an extensive array of physical facilities and recreational programs. The District has 4,552 acres of parks, playgrounds, and facilities which include: five public golf courses; two indoor ice arenas including a twin-rink ice arena in downtown Rockford; four outdoor swimming/recreation centers; the Magic Waters Theme Park; a children's farm; four local museums; a Trolley station and Museum; an excursion boat; a 14-mile snowmobile trail through adjacent parks; and a greenhouse, garden, lagoon, and arboretum complex on the Rock River. In the early 1980's the District constructed a regional activity center called the Sportscore which contains eight lighted slow pitch ball diamonds, twenty soccer fields, playgrounds, bike and jogging paths, sand volleyball courts, boat ramp, three concession buildings, restroom facilities, and a parking lot for 800 vehicles. The Sportscore site totals 105 acres of which 50 acres were purchased and donated to the District by a local industrial concern. The Park District also has Sportscore II, which consists of a multi-purpose park on 124.2 acres. This new facility will have twenty additional soccer fields and two miles for a jogging path.

The recreational facilities of the Rockford Park District are supplemented by those of the Winnebago County Forest Preserve District and the State of Illinois through its State Parks. The Forest Preserve District has 5,388 acres in 31 forest preserves ranging in size from 2 to 948 acres. In addition to campgrounds, picnic areas, shelter houses, conservation areas, and the fishing areas on spring fed lakes, the Forest Preserve District has three 18-hole golf courses.

## Festivals



The Rockford area offers many wonderful annual festivals throughout the year that feature art, music, dance, cultural heritage, and of course food. Here is a list of just a few of these annual events:

*St. Patrick's Day Celebration:* On or about March 17<sup>th</sup> in Downtown Rockford. Parade followed by a party featuring traditional music, dance, and food.

*Ethnic Music Festival:* First Sunday in June at the Ethnic Heritage Museum, 1129 S. Main Street in Rockford. Song, dance, and food by ethnic groups which originally settled Rockford.

*Juneteenth:* June 19 at Levings Lake Park, Pierpont and West Harrison Streets in Rockford. Celebrate African-American Independence Day with music, entertainment, talent show, art exhibit, food, and more.

*Midsommer Fest:* On or about the summer solstice in mid-June at Erlander Home Museum in Rockford. Traditional Swedish celebration of the longest day of summer.

*Fourth of July Fireworks:* A Rockford favorite as downtown is illuminated with fireworks to celebrate our nations independence.

*Scottish Highland Games:* Third Saturday in July in Davis Park at Founders Landing in downtown Rockford. Celebration of region's Scottish heritage with bagpipe bands, dancers, re-enactors, clans, traditional athletic competitions, vendors, and food.

*Celtic Fest:* Enjoy the thrill of being Irish, Scottish, or Welsh at the annual Celtic Fest. The Fest features two stages with continuous music, dancing, a re-enactment village, ethnic food and drink bagpiping, and other fun activities.

*Festa Italiana:* Weekend celebration the first weekend in August at Boylan High School in Rockford. Celebration of Rockford's Italian heritage with food, rides, games, music, dancing, and cultural displays.

*Polish Fest:* Third Sunday in August at St. Stanislaus Church in Rockford. Celebration of region's Polish heritage with food, music, crafts, dancing, cultural exhibits, and rides.

*Booker Fest:* Second or third weekend in August. Gospel and folk music, food, fun, and children's activities at the Booker Washington Community Center in Rockford.

*On the Waterfront:* The premiere festival in Northern Illinois that occurs Labor Day weekend on a 30 block area in and around Davis Park in downtown Rockford. Street festival with 10 music stages, 50+ food booths, street performers, carnivals, fireworks, and more.

## Climate



The climate in Rockford is typical for the upper Midwest. Rockford has four distinct seasons, each of which brings special pleasures. Average temperatures range from January's average high of 26.6 degrees and low of 9.8 degrees Fahrenheit, to July's average high of 83.8 degrees and average low of 62.5 degrees Fahrenheit. Average precipitation for the year is 36.28 inches with June having the highest average of 4.52 inches. As for snowfall, on average the City receives approximately 36.5 inches of snow each year with December being the highest average snow month with 9.8 inches. Since 1951 the highest temperature recorded was 104 degree Fahrenheit on August 16, 1988 while the lowest temperature recorded was minus 27 degrees Fahrenheit on January 31, 1989.

# CITY OF ROCKFORD, ILLINOIS

## FACTS AND STATISTICS

➤ <b><u>LAND AREA</u></b>	61.08 Square Miles.		➤ <b><u>HOUSEHOLD INCOME (2000)</u></b>		
➤ <b><u>POPULATION</u></b>	1970	147,370	Median Household Income	\$38,573	
	1980	139,712	Total Households	59,827	
	1990	139,426	Under \$10,000	11.4%	
	1998	143,656	\$10,000 - \$29,999	25.5%	
	2000	150,115	\$30,000 - \$49,999	33.3%	
	2010	152,871	\$50,000 - \$74,999	21.9%	
➤ <b><u>POPULATION DENSITY</u></b>	2,502.2 Per Square Mile.		\$75,000 - \$99,999	5.7%	
			\$100,000 - \$124,999	1.7%	
			\$125,000 and over	2.2%	
➤ <b><u>POPULATION AGE STRUCTURE (2010)</u></b>			➤ <b><u>HOUSING CHARACTERISTICS (2010)</u></b>		
Under 10 Years		14.7%	Total Housing Units	66,700	
10-19 Years		13.8%	- Owner Occupied	58.4%	
20-24 Years		6.6%	- Renter Occupied	41.6%	
25-34 Years		13.8%	- Vacant	10.1%	
35-44 Years		12.6%			
45-54 Years		13.4%	➤ <b><u>HOUSING MEDIAN PURCHASE PRICE</u></b>		
55-59 Years		6.1%	Year	Rockford	Illinois
60-64 Years		5.0%	1998	\$ 91,500	\$135,100
65-74 Years		6.5%	1999	\$ 93,800	\$137,200
75 and Older		7.4%	2000	\$ 95,300	\$140,500
			2001	\$100,400	\$151,400
➤ <b><u>MEDIAN AGE</u></b>			2002	\$105,700	\$161,700
1990		33.4 Years	2003	\$111,200	\$172,500
1995		35.1 Years	2004	\$117,800	\$184,000
2000		34.4 Years	2005	\$118,200	\$202,000
2010		35.8 Years	2006	\$119,600	\$203,900
2020 Projected		40.8 Years	2007	\$119,200	\$239,700
			2008	\$115,500	\$240,000
➤ <b><u>GENDER (2010)</u></b>			2009	\$103,750	\$211,500
Female		51.7%	2010	\$115,400	\$234,275
Male		48.3%	2011	\$110,482	\$194,937
➤ <b><u>EDUCATIONAL ATTAINMENT (2010)</u></b>			➤ <b><u>UNEMPLOYMENT RATES</u></b>		
<b><u>(25+ Years of Age)</u></b>			1990		6.1%
Less than 9 <sup>th</sup> Grade		7.3%	1995		5.9%
9 <sup>th</sup> to 12 <sup>th</sup> Grade		12.4%	2000		6.1%
High School Graduate		32.7%	2005		7.3%
Some College, No Degree		19.7%	2006		6.0%
Associate Degree		7.4%	2007		6.3%
Bachelor's Degree		13.0%	2008		9.3%
Graduate or Professional Degree		7.5%	2009		9.7%
			2010		9.7%
➤ <b><u>HOUSEHOLD CHARACTERISTICS (2010)</u></b>			2011 Illinois		8.5%
Total Households		59,973	2011 United States		8.5%
Persons Per Household		2.48			
One-Person Household		31.9%	➤ <b><u>LABOR FORCE BY OCCUPATION (2010)</u></b>		
			Management/Professional		28.1%
			Sales/Office Occupations		25.3%
			Production/Transportation.		21.0%
			Service Occupations		19.1%
			Construction/Extraction/Maint.		6.5%
			Farming/Forestry/Fishing		0.2%

# CITY OF ROCKFORD, ILLINOIS

## FACTS AND STATISTICS

### ➤ LABOR FORCE BY INDUSTRY – 2010

Manufacturing	20.4%
Services	26.9%
Wholesale/Retail Trade	13.1%
Transportation/Communication/Utilities	5.6%
Finance/Insurance/Real Estate	5.1%
Construction/Mining	4.1%
Government	10.2%
Agriculture & Related	5.1%

### ➤ CENSUS OF MANUFACTURERS – 1982-92

	<u>1982</u>	<u>1992</u>
Number of Establishments	791	883
Number of Employees	50,400	49,800
Value Added by Manufacture	\$2,166,400	\$3,381,600

### ➤ MAJOR PRIVATE EMPLOYERS

Rockford Health System	3,600
Swedish American Health Systems	2,837
Hamilton Sundstrand Corporation	2,400
United Parcel Service	2,200
St. Anthony Medical Center	2,000
Daimler Chrysler	1,750
Woodward Governor	1,100
Adams, Division of Pfizer	750

### ➤ CLASS OF WORKER

Private Wage and Salary Workers	85.1%
Government Workers	9.7%
Self-employed Workers	4.8%
Unpaid Family Workers	0.4%

### ➤ TRANSPORTATION

Highways: Interstate Highway I-39, I-90 Tollway, Federal U.S. 20, U.S. 51/251.
Intra-city Bus Service: Rockford Mass Transit District.
Inter-city Bus Service: Greyhound Bus Lines, Rockford Coach Line, Van Galder.
Rail Service: Burlington Northern, CP Rail System, Illinois Central, Union Pacific.
Passenger Air Service: Allegiant Air, Apple Vacations, United Airlines
Cargo Air Service: UPS, Airborne Express, BAX Global, Emery Worldwide, Fed Ex, DHL, Landstar Inway.

### ➤ UTILITIES

- Electricity:	Commonwealth Edison
- Natural Gas:	NICOR, Inc.
- Water:	City of Rockford
- Waste Water:	Rock River Water Reclamation District
- Telephone	SBC Global

### ➤ QUALITY OF LIFE

Rockford Park District:	
- Number of Parks	176
- Public Golf Courses	5
- Public Swimming Pools	3
- Ice Skating Rinks	2
- Sportscore Complex-2 facilities	
- Magic Waters Theme Park	
- BMX Bicycle Race Course	

#### Professional Sports Teams:

- Rockford Raptors Soccer Team
- Rockford Ice Hogs Hockey Team
- Rockford Lions Football Team
- Rockford RiverHawks Baseball Team
- Rock River Raptors Arena Football Team

#### Rockford YMCA, Rockford YWCA

Number of Museums:	10
Number of Churches:	421
Number of Synagogues:	2
Number of Mosques:	1
Rockford Symphony Orchestra Coronado	

### ➤ CITY OF ROCKFORD TAX RATE/\$100 EAV

	<u>Rate</u>	<u>City % of Total</u>
1995	\$2.3604	21.5%
1996	\$2.3094	20.0%
1997	\$2.3183	20.0%
1998	\$2.3422	20.4%
1999	\$2.4094	21.1%
2000	\$2.4031	22.4%
2001	\$2.4327	23.1%
2002	\$2.4276	21.3%
2003	\$2.4519	22.7%
2004	\$2.5529	23.5%
2005	\$2.5772	23.9%
2006	\$2.5683	24.5%
2007	\$2.5172	24.5%
2008	\$2.5318	24.2%
2009	\$2.5606	24.1%
2010	\$2.7159	24.0%

## BUDGET GLOSSARY

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget Document in understanding these terms, a budget glossary has been included in this document.

**Abatement:** A complete or partial cancellation of a tax levy imposed by a government.

**Accountability:** The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry-to justify the raising of public resources and the purpose for which they are used.

**Accrual Accounting:** A basis of accounting in which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent.

**Adjustment For Accounting Interpretations:** The budget's property tax levy is received in the year after the budget. In order to adjust for Accounting Interpretation whereby the prior year's levy is utilized, an adjustment for accounting interpretation is used to adjust fund balances.

**Adjustment Of Balance To Revenue For Encumbrances:** This adjustment is used in the General Fund to account for encumbrances that have been reappropriated. In order to eliminate the appearance of deficit budgeting, a revenue transfer amount entitled "application of restricted fund balance for encumbrances" is budgeted and is then offset by the adjustment of balance to revenue for encumbrances.

**Adjustment for Non-Recurring Transfers:** This adjustment is used in the General Fund to account for the Administrative Department's appropriation of the prior year's year-end excess cash. This allows General Fund expenditures to reflect operating expense only and eliminates the appearance of deficit budgeting.

**AFSCME:** Association of Federal, State, County, and Municipal Employees.

**Alternate Bonds:** General obligation bonds that, rather than being repaid by city-wide property taxes, are retired by specifically pledged revenue streams, i.e., sales taxes, water revenues, etc.

**Amortization:** Gradual reduction, redemption or liquidation of the balance of an account according to a specified schedule of times and amounts. Also, provision for the extinguishment of a debt by means of a Debt Service Fund.

**Appraise:** To estimate the value, particularly the value of property. If the property is valued for taxation, the narrower term "assess" is substituted.

**Appropriation:** An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

**Appropriation Ordinance:** The official enactment by the legislative body establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

**Assessed Valuation:** A valuation set upon real estate by the Township Assessor and Supervisor of Assessments as a basis for levying taxes.

**Assets:** Property owned by a government that has a monetary value.

**Auditing Fund:** A non-operating budgetary unit to provide and pay for auditing services.

**Balanced Budget:** A budget for which expenditures are equal to income.

**Bond:** A written promise to pay (debt) a specified sum of money (principal) at a specified future date (maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt. When a government pledges its full faith and credit to the repayment of the bonds it issues, then these are known as general obligation bonds. Bonds whose principal and interest are payable exclusively from the earnings of an Enterprise Fund are known as revenue bonds. Bonds whose principal and interest are payable exclusively from citywide property taxes are known as general obligation bonds.

**Budget:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Used without qualification, the term usually indicates a financial plan for a single fiscal year.

**Budget Calendar:** The schedule of key dates or milestones that the City departments follow in the preparation, adoption, and administration of the budget.

**Budget Document:** The official written statement prepared by the budget office and supporting staff that presents the proposed budget to the legislative body.

**Budgetary Control:** The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitation of available appropriations and available revenues.

**Capital Improvement Program:** Plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying its expected beginning and ending date, the amount to be expended in each year, and the method of financing those expenditures.

**Capital Equipment:** Expenditures for the acquisition of capital assets, i.e., vehicles, operating equipment, office equipment.

**Capital Expenditure:** Refers to any major project requiring the expenditure of public funds (over and above operating expenditures) for the construction, reconstruction or replacement of physical assets in the community. The City's general rule requires that long-term assets have at least a 2 year useful life and cost \$5,000 or more.

**Capital Projects**: Projects involving the purchase or construction of capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**Cash Accounting**: A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services.

**Cash Management**: The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

**CDBG**: Acronym for “Community Development Block Grant”.

**Contingency Account**: An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as emergencies, federal mandates, shortfalls in revenue, and similar eventualities.

**Cost Center**: The smallest unit of budgetary accountability and control that encompasses specific and distinguishable lines of work performed by an organizational unit for the purpose of accomplishing a function for which the City is responsible.

**CPI**: Consumer price index. Measures the rate of inflation over time.

**Debt**: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, and notes.

**Debt Service**: The City’s obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

**Debt Service Funds**: A fund established to account for the accumulation of resources for, and the payment of, bonds and general long-term debt principal and interest according to a predetermined schedule.

**Deficit**: The excess of expenditures over revenues during an accounting period; or, in the case of Enterprise and Intergovernmental Service Funds, the excess of expense over income during an accounting period.

**Depreciation**: The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset’s lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

**Eliminations**: When funds are consolidated, transactions between funds are eliminated in order to eliminate double accounting.

**Encumbrance:** The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for future expenditures.

**Enterprise Fund:** A fund established to account for operations which are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges, i.e., water utility, parking system.

**Equalized Assessed Valuation:** Board of Review, on a county basis, reviews assessed valuation of all townships and may assign multipliers to equalize assessed valuations from township to township. If necessary, the State will then assign multipliers for counties in order that all property will be assessed at 33-1/3% of market value.

**Executive Summary:** The opening section of the budget provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Mayor.

**Expenditure:** This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended.

**Fiscal Year:** A twelve month period that the annual operating budget applies at the end of which a determination of financial position and results of operations is carried out by the government.

**Fixed Assets:** Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

**Full Faith and Credit:** A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

**Full-Time Equivalent Position (FTE):** A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a Head Start bus driver working for nine months, or 1,560 hours, would be equivalent to 0.75 of a full-time position.

**Fund:** A budgetary and accounting entity that is segregated from other funds for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund Balance:** The fund equity of governmental funds and trust funds (excess of assets over liabilities).

**Fund Type:** In governmental accounting, all funds are classified into eight generic fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

**GAAP:** Generally accepted accounting principles. Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board.

**General Fund:** The General Fund is the general operating fund of the City. It is used to account for all activities of a government except those required to be accounted for in another fund.

**General Obligation Bond:** Bonds which the full faith and credit of the issuing government or agency to be used or expended for a specified purpose or activity.

**Grant:** A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

**Health Insurance Fund:** A non-operating budgetary unit utilized for internal purposes only. Financed by employer and partial employee paid premiums for health insurance benefits for employees, retirees, and outside participants.

**IAFF:** International Association of Fire Fighters.

**IMRF Pension Fund:** The Illinois Municipal Retirement Fund provides retirement benefits for all retired non-sworn City employees and their beneficiaries.

**Intergovernmental Revenues:** Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

**Internal Service Fund:** A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost reimbursement basis.

**Investment:** Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals, or base payments.

**Levy:** (verb) To impose taxes, special assessments, or service charges for the support of government activities. (noun) The total amount of taxes, special assessments, or service charges imposed by a government.

**Line-Item Budget:** A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

**Long-Term Debt:** Debt with a maturity of more than one year after the date of issuance.

**MFT:** Motor fuel tax.

**Mission Statement:** A brief description of functions and objectives rendered by an organization for the community it serves.

**Modified Accrual Accounting:** A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are received or are “measurable” and available for “expenditure”. Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

**Municipal:** In its broadest sense, an adjective denoting the state and all subordinate units of government. In a more restricted sense, an adjective denoting a city or village as opposed to other local governments.

**Obligations:** Amounts that a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

**Operating Budget:** The authorized revenues and expenditures for on-going municipal services and is the primary means by which government are controlled. The life span of an operating budget typically is one year or less. Law usually requires the use of annual operating budgets.

**Ordinance:** A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as state statute, it has the full force and effect of the law within the boundaries of the municipality to which it applies.

**OTB Special Projects Fund:** A non-operating budgetary unit used to collect off-track betting revenues to be used for special projects determined by the Mayor and Council.

**PB & PA:** Policeman’s Benevolent and Protective Association.

**Pension Trust Fund:** A trust fund used to account for public employee retirement systems.

**Performance Budget:** A budget that focuses upon activities rather than line items. Work load and unit cost data are collected in order to assess the efficiency of services. Typical data collected might include miles of streets paved per year, cost of paved streets per mile, tons of garbage collected per man hour, or cost per man hour of garbage collection.

**Performance Measures:** Specific quantitative and qualitative measures of work performed as an objective in the department.

**Performance Standard (Cost Center Standard):** The measurement of work units performed by a cost center and development of cost per work unit numbers for management purposes.

**Property Tax:** Property taxes are levied on real property according to the property's valuation and the tax rate.

**Rating:** The credit worthiness of a city as evaluated by independent agencies.

**Requisition:** A written demand or request, usually from one department, to the purchasing office or to another department for specific articles or services.

**Reserve:** An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

**Revenue:** Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

**Revenue Bonds:** Bonds usually sold for constructing a project that will produce revenue for the government. The revenue is used to pay the principal and interest of the bond.

**Risk Management:** An organized attempt to protect a government's assets against accidental loss in the most economical method.

**Securities:** Bonds, notes, mortgages, or other forms of negotiable or nonnegotiable instruments.

**Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

**Surplus:** An excess of the assets of a fund over its liabilities and reserves.

**Tax Anticipation Notes:** Notes issued in anticipation of collection of taxes and retired from the proceeds of the tax levy whose collection they anticipate.

**Tax Increment Financing District:** Areas of the City (as defined by State law) in need of development/redevelopment improvements that use a portion of property taxes collected in this area to make public improvements.

**Tax Levy:** The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

**Tax Rate:** The amount of tax levied for each \$100 of equalized assessed valuation. The tax rate times equalized assessed valuation equals the tax levy.

**Transfers In/Out:** A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

**Unemployment Tax Fund:** A non-operating budgetary unit used to account for all unemployment expenditures for former employees.

**User Charges:** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

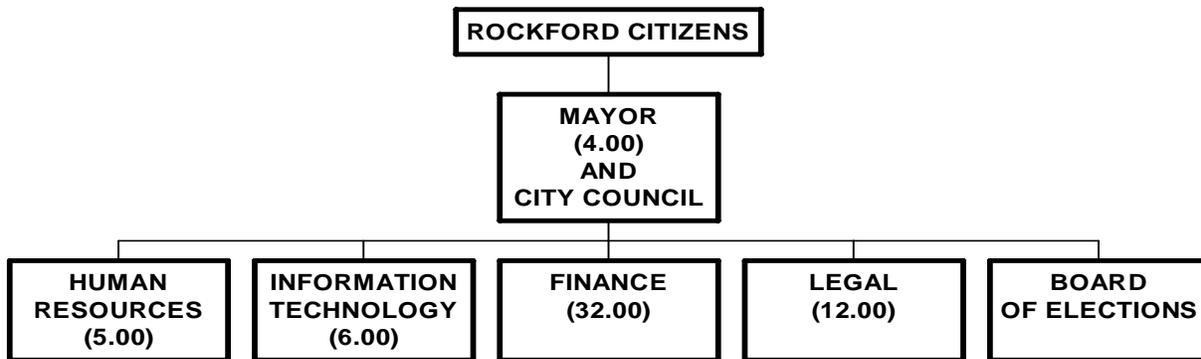
**Worker's Compensation Fund:** A non-operating budgetary unit used to account for all worker's compensation expenditures.

2012 ROCKFORD BUDGET  
GRAPH AND TABLE INDEX

BUDGET GRAPHS

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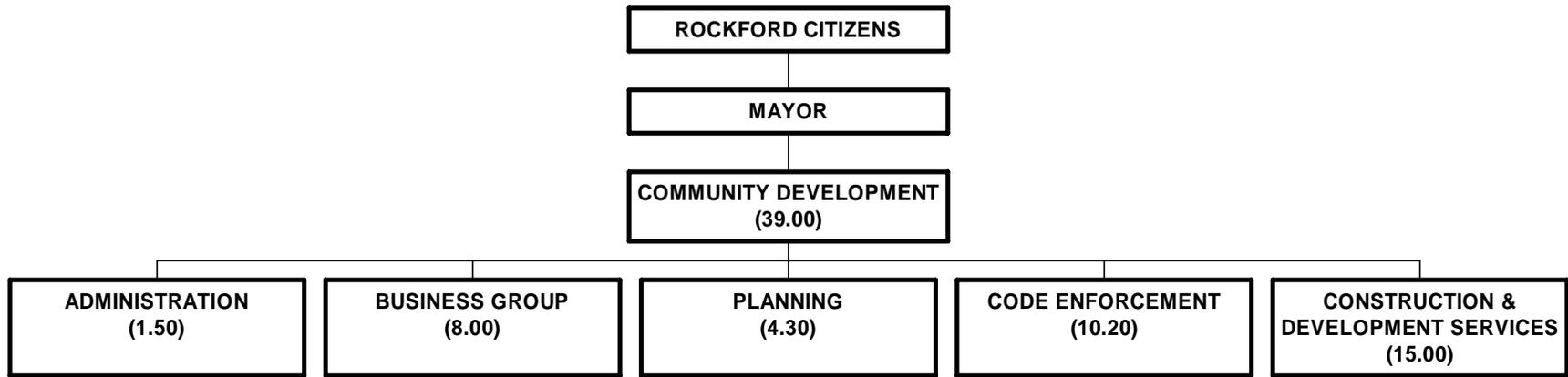
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EEO

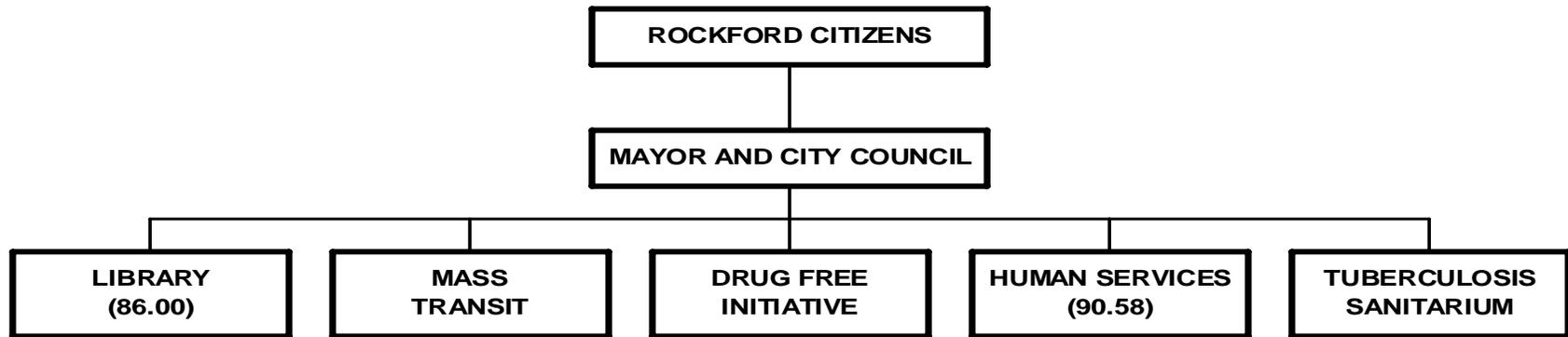
**(59.00) EMPLOYEES**



CDBG Administration  
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 Brownfield Redevelopment  
 Redevelopment  
 Tourism Promotion  
 Sanitation  
 Retail TIF District  
 Industrial TIF Districts  
 Residential TIF Districts

Planning & Research  
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**(39.00) EMPLOYEES**



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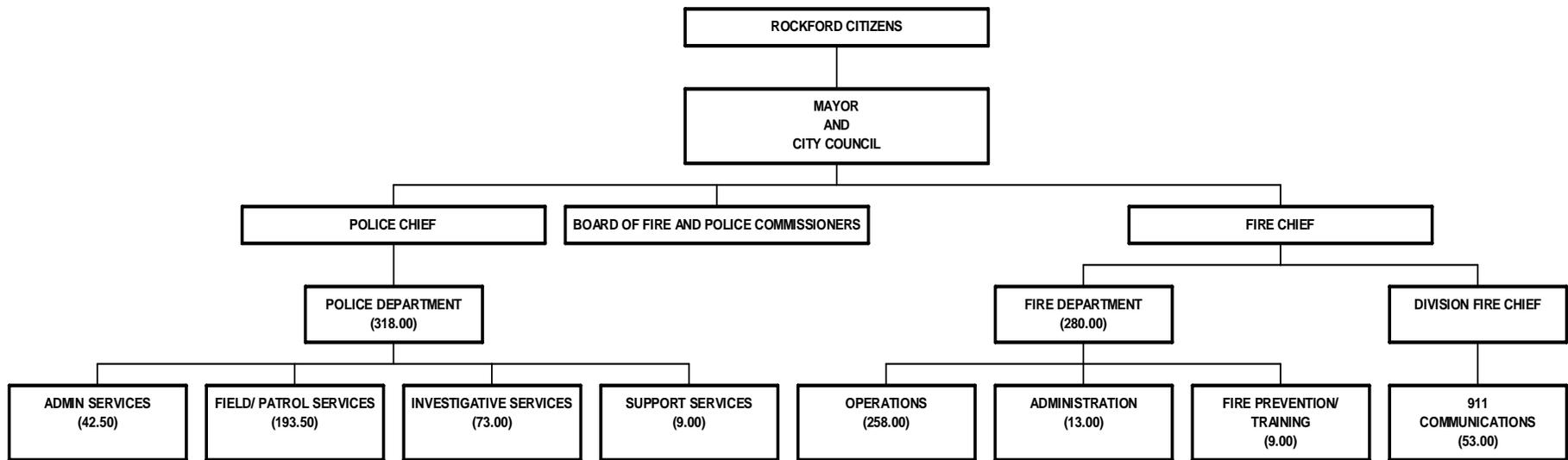
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- Summer Feeding Program
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 Evidence and Property Unit  
 Fiscal Services Section  
 Information Services Section  
 Payroll Section  
 Records Center Division  
 Crime Analyst  
 Training and Personnel Unit

Burglary Unit  
 Domestic Violence Unit  
 Gang Unit  
 General Case Unit  
 Identification Unit  
 Rockford Narcotics Unit  
 Violent Crimes Unit  
 Youth/ Sex Crimes Unit

Fire Stations 1-11  
 Ambulance Services  
 Emergency Vehicle Repair  
 Disaster Services

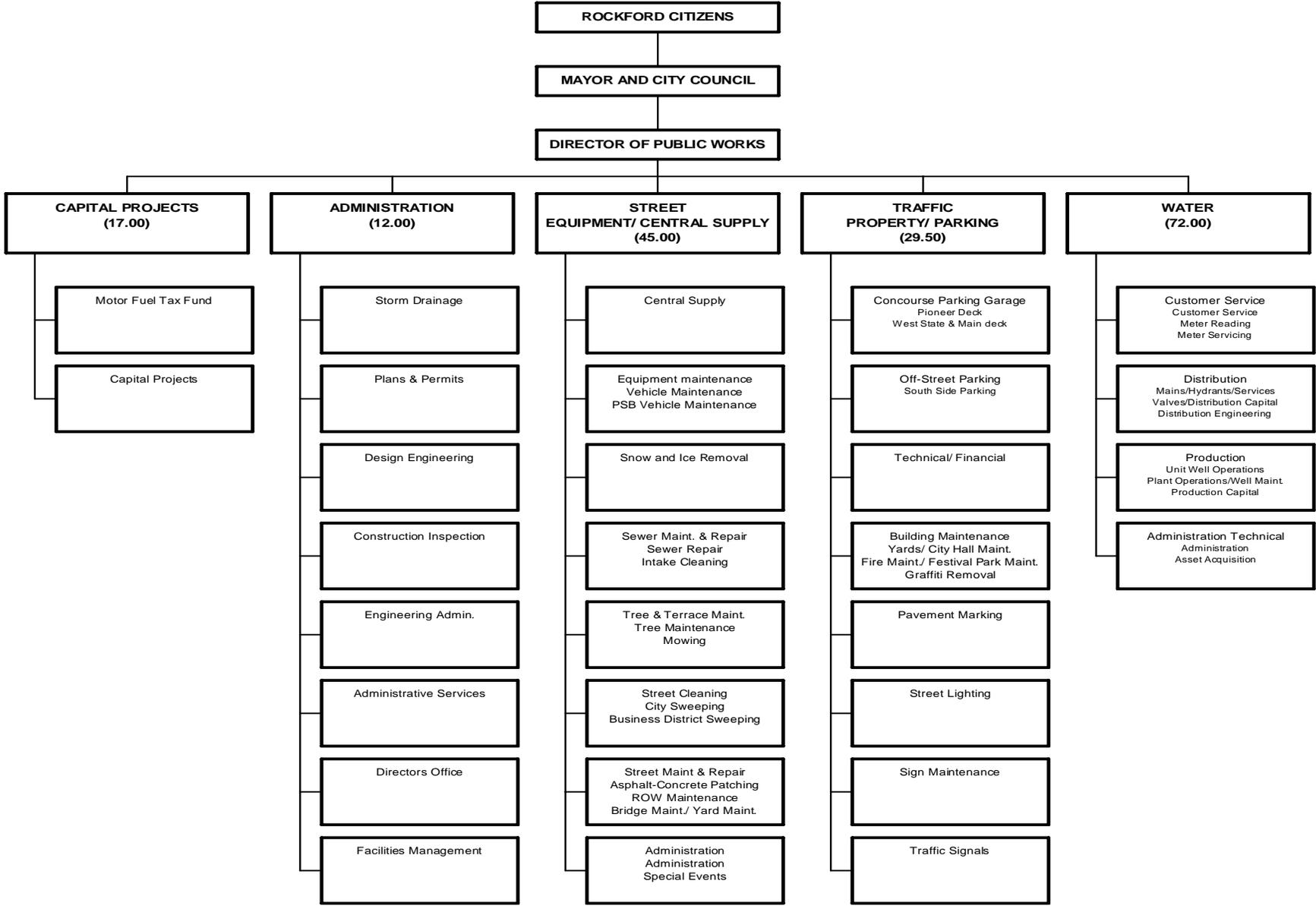
Inspections/ Code  
 Enforcement  
 Public Education  
 Arson Investigation  
 Training

Supervision  
 Technical & Financial

Patrol  
 Special Operations Division  
 M 3 Team

School Liaison Unit  
 Support Services Unit  
 Traffic Unit

**(649.00) EMPLOYEES**



**(175.50) EMPLOYEES**