

YEAR END FINANCIAL CONDITION

Fund balances for the 2011 budget year ending December 31, 2011 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. Two other funds, Redevelopment, and OTB Special Projects, can also be included. All of these project funds should turn positive before their current legal authority ends.

The Risk Management 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 2010 surcharge of \$1.6 million as well as a planned one of \$1.0 million for 2011 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 2011 BUDGET

| FUND | BEGINNING | | | EXCESS | | ENDING |
|----------------------------|--------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| | BALANCE | REVENUES | APPROPRIATION | (DEFICIT) | ADJUSTMENTS | BALANCE |
| | 01/01/11 | | | | | 12/31/11 |
| GENERAL-OPERATING | \$22,672,029 | 112,890,632 | \$112,734,629 | \$156,003 | \$86,913 | \$22,914,945 |
| SPECIAL REVENUE | | | | | | |
| MOTOR FUEL TAX | 9,647,399 | 3,816,400 | 5,700,000 | (1,883,600) | | 7,763,799 |
| SANITATION | 3,349,134 | 8,647,200 | 8,506,907 | 140,293 | | 3,489,427 |
| COMMUNITY DEVELOPMENT | 1,642,679 | 3,584,892 | 4,543,551 | (958,659) | | 684,020 |
| REDEVELOPMENT TAX | (2,914,537) | 3,602,000 | 3,159,956 | 442,044 | | (2,472,493) |
| TOURISM PROMOTION TAX | 94,619 | 1,556,500 | 1,556,500 | 0 | | 94,619 |
| TAX INCREMENT DISTRICTS | (2,418,807) | 5,667,540 | 5,766,269 | (98,729) | | (2,517,536) |
| HUMAN SERVICES | (175,980) | 14,114,983 | 15,009,663 | (894,680) | | (1,070,660) |
| TUBERCULOSIS SANITARIUM | 108,286 | 151,173 | 160,300 | (9,127) | | 99,159 |
| LIBRARY | 5,302,738 | 8,260,280 | 7,871,000 | 389,280 | | 5,692,018 |
| OTB SPECIAL PROJECTS | (72,490) | 90,000 | 26,700 | 63,300 | | (9,190) |
| RMAP PLANNING | (111,989) | 746,211 | 742,000 | 4,211 | | (107,778) |
| DEBT SERVICE | 8,317,681 | 12,344,905 | 19,042,779 | (6,697,874) | 6,697,874 | 8,317,681 |
| CAPITAL PROJECT | 14,375,594 | 63,725,000 | 62,825,000 | 900,000 | | 15,275,594 |
| ENTERPRISE | | | | | | |
| WATER SYSTEM | 121,729,242 | 24,569,400 | 23,419,768 | 1,149,632 | | 122,878,874 |
| PARKING SYSTEM | 17,276,417 | 2,001,400 | 2,352,638 | (351,238) | | 16,925,179 |
| INTERNAL SERVICE | | | | | | |
| PUBLIC WORKS PROPERTY | 346,944 | 2,902,460 | 2,764,461 | 137,999 | | 484,943 |
| PUBLIC WORKS EQUIPMENT | 888,200 | 3,601,100 | 3,694,330 | (93,230) | | 794,970 |
| PUBLIC WORKS CENTRAL STORE | 176,446 | 412,100 | 417,545 | (5,445) | | 171,001 |
| 911 COMMUNICATIONS | 0 | 4,995,717 | 5,249,218 | (253,501) | | (253,501) |
| IMRF PENSION | 50,988 | 6,889,096 | 6,637,727 | 251,369 | | 302,357 |
| UNEMPLOYMENT INSURANCE | (108,492) | 163,914 | 169,720 | (5,806) | | (114,298) |
| WORKER'S COMPENSATION | (1,426,818) | 1,928,298 | 1,970,470 | (42,172) | | (1,468,990) |
| AUDITING | 0 | 238,667 | 237,950 | 717 | | 717 |
| RISK MANAGEMENT | (3,607,904) | 1,625,200 | 1,674,700 | (49,500) | | (3,657,404) |
| INFORMATION TECHNOLOGY | 1,283,269 | 2,632,370 | 2,471,659 | 160,711 | | 1,443,980 |
| HEALTH INSURANCE | 3,907,535 | 21,105,014 | 23,550,700 | (2,445,686) | | 1,461,849 |
| PENSION | | | | | | |
| POLICE PENSION | 160,191,839 | 17,954,874 | 5,444,153 | 12,510,721 | (7,650,000) | 165,052,560 |
| FIRE PENSION | 144,554,008 | 18,100,234 | 6,905,642 | 11,194,592 | (7,350,000) | 148,398,600 |
| ELIMINATIONS & ADJUSTMENTS | 0 | (80,997,311) | (82,389,914) | 1,392,603 | (1,392,603) | 0 |
| | | <u>\$267,320,249</u> | <u>\$252,216,021</u> | <u>\$15,104,228</u> | <u>(\$9,607,816)</u> | <u>\$510,574,442</u> |