

Community Development Administration

Mission Statement

It is the mission of Community 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 Development.

2010 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.

2011 Goals and Objectives →

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

Community Development Administration

Budget Summary

CD ADMINISTRATION DIVISION BUDGET SUMMARY					
APPROPRIATION	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$223,928	\$198,273	\$153,098	\$194,714	(\$3,559)
CONTRACTUAL	56,670	58,710	25,433	29,465	(29,245)
SUPPLIES	771	2,020	1,414	2,020	0
OTHER	0	0	0	0	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$281,369</u>	<u>\$259,003</u>	<u>\$179,945</u>	<u>\$226,199</u>	<u>(\$32,804)</u>
STAFFING REVIEW					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>INCREASE (DECREASE)</u>
	2.00	2.00	1.50	1.50	0.00
FUNDING SOURCE					
		<u>2010 AMOUNT</u>	<u>2010 PERCENTAGE</u>	<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS		\$31,286	12.1	\$31,916	14.1
GENERAL REVENUES		<u>227,717</u>	<u>87.9</u>	<u>194,283</u>	<u>85.9</u>
TOTAL		<u>\$259,003</u>	<u>100.0</u>	<u>\$226,199</u>	<u>100.0</u>

Budget Analysis

The 2011 budget is \$226,199, which is a decrease of \$32,804 from the previous year. Personnel costs decreased \$3,600 due to changes in insurance enrollments.

Contractual costs decreased \$29,245 due to the elimination of the \$30,000 TIF development cost center budget. This decrease is offset by small adjustments in internal service charges for vehicle maintenance, IT charges, fuel and rent.

In 2010, the Administrative Division spent \$179,945 or 69.5% 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 2011.

Community Development Administration

Personnel Review

COMMUNITY DEVELOPMENT ADMINISTRATION DIVISION				
BENEFITS AND SALARIES				
SALARY		2010	2011	INCREASE/ (DECREASE)
		<u>BUDGET</u>	<u>BUDGET</u>	
PERMANENT		\$144,955	\$145,121	\$166
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SALARIES		<u>\$144,955</u>	<u>\$145,121</u>	<u>\$166</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$29,252	\$29,692	\$440
UNEMPLOYMENT TAX		95	270	175
WORKMEN'S COMPENSATION		319	334	15
HEALTH INSURANCE		20,982	18,460	(2,522)
RETIREE INSURANCE		1,833	0	(1,833)
LIFE INSURANCE		117	117	0
PARKING BENEFITS		720	720	0
TOTAL BENEFITS		<u>\$53,318</u>	<u>\$49,593</u>	<u>(3,725)</u>
TOTAL COMPENSATION		<u>\$198,273</u>	<u>\$194,714</u>	<u>(\$3,559)</u>
PERSONNEL				
POSITION TITLE	POSTION	2010	2011	INCREASE/ (DECREASE)
	<u>RANGE</u>	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>	
DIRECTOR	E-14	1.00	1.00	0.00
SENIOR ADMIN ASSISTANT	E-6	<u>0.50</u>	<u>0.50</u>	<u>0.00</u>
TOTAL PERSONNEL		<u>1.50</u>	<u>1.50</u>	<u>0.00</u>

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.

2010 Accomplishments →

- Drafted text amendments to the 2020 Plan as the first step in a major update of the 2020 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. \$500,000 in Supplemental RLF for Hazardous Substances has been approved so far from the 2010 grant applications. Grant announcements for additional funds will be made in May.
- Prepared Grant Applications for numerous Supplemental and Economic Stimulus funded programs including the USEPA Jobs Training Program, USEPA Supplemental Revolving Loan Fund Grant Program and Economic Stimulus Revolving Loan Fund Grant Program; US Department of Energy Block Grant Program; USEPA Brownfield Planning Technical Assistance and the EDA Grant program.
- Received \$750,000 in USEPA Brownfield Assessment Grants. Provided project management of these two Brownfields Assessment Grants being used for extensive environmental assessment work in eight targeted areas which include the South Main Rail Yards, Barber Coleman Village, Downtown sites, North Madison Street sites, the Museum Campus area, the Ingersoll/S. Water Street/ Whitewater Park area, West State Street petroleum sites, and Keith Creek floodplain sites. Work began in August due to pre-award approval granted by USEPA. Several Phase I and Phase II Environmental Site Assessments were completed during 2010.
- Managed the South Main Corridor study in the initial stages, including negotiating contracts with consulting firms.

Planning Division

- Received a \$200,000 Cleanup Grant and Cooperative Agreement for the Ingersoll Buildings. Work was completed in June and is 50% complete.
- Continued its assistance to the Historic Preservation Commission. Completed environmental assessment activities at the Armory.
- Negotiated and completed an intergovernmental agreement with the Village of Davis Junction concerning an annexation boundary and development standards.
- Provided extensive staff support to the Census Complete Count Committee. Census participation rate of 70% exceeded expectations.
- Prepared formal applications for the River Edge Brownfield program for the South Main Rail Yards sites and received approval for \$750,000 in Brownfield work subject to funding availability.

2011 Goals and Objectives →

- Complete the major five year review, update and amendments to the 2020 Plan initiated in November of 2009, and obtain approval of the plan as the 2030 Plan.
- Complete the Kishwaukee Corridor Study Implementation Phase and the South Main/ Rail Yards Study. 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.
- Continue in the development of intergovernmental boundary agreements with the Village of Winnebago.
- 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.

Planning Division

- Use Community Development Block Grant funds to help create jobs in the low/moderate income levels by utilizing our partners to facilitate employment opportunities.
- Assist in the removal and or reuse of blighted and underutilized properties.
- Prepare grant applications to the USEPA for Brownfields Assessment Funds, Cleanup Grants, Revolving Loan Funds, Brownfields Job Training and Technical Planning Assistance.
- Assist Economic Development staff with TIF expansions and de-TIF/re-TIF efforts.

Budget Summary

CD PLANNING DIVISION BUDGET SUMMARY					
APPROPRIATION	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$571,211	\$515,766	\$507,793	\$424,434	(\$91,332)
CONTRACTUAL	102,560	88,560	93,179	83,550	(5,010)
SUPPLIES	2,725	1,970	2,735	1,970	0
OTHER	363	79,700	38,470	0	(79,700)
CAPITAL	0	0	0	0	0
ENCUMBRANCES	0	0	0	0	0
TOTAL	<u>\$676,859</u>	<u>\$685,996</u>	<u>\$642,177</u>	<u>\$509,954</u>	<u>(\$176,042)</u>
STAFFING REVIEW					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>INCREASE (DECREASE)</u>
	11.25	6.30	5.30	4.30	(1.00)
FUNDING SOURCE					
		<u>2010 AMOUNT</u>	<u>2010 PERCENTAGE</u>	<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$86,376	14.2	\$71,776	12.9
CDBG FUND		134,200	0.0	136,880	24.7
TIF FUNDS		209,300	0.0	210,300	37.9
ZONING FEES		145,743	24.0	121,270	21.8
OTHER GOVERNMENTS(RATS)		15,000	2.5	15,000	2.7
GENERAL REVENUES		<u>15,677</u>	<u>59.3</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$606,296</u>	<u>100.0</u>	<u>\$555,226</u>	<u>100.0</u>

Budget Analysis

The 2011 budget is \$509,954, a decrease of \$176,042 (25.7%) from the previous year. Personnel costs decreased \$91,300 due to a retirement and position elimination in the division. Permanent salaries declined \$78,000, IMRF \$14,900, health insurance (\$4,200) offset by an increase in retiree insurance (\$6,000).

Contractual costs decrease \$5,010 due to a variety of small adjustments in internal service charges. Supply costs remain unchanged. Other expenditures decrease \$79,700, due to one-time grant expenditures added in the 2010 supplemental appropriation ordinance.

Planning Division

In 2010, the Planning Division spent \$642,177 or 93.6% of the budgeted allocation. In the past several years, 89% to 106% of the budgeted amount has been spent.

Capital Equipment

No capital equipment is planned for 2011.

Personnel Review

COMMUNITY DEVELOPMENT PLANNING DIVISION				
BENEFITS AND SALARIES		2010	2011	INCREASE/
SALARY		<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERMANENT		\$366,483	\$288,504	(\$77,979)
TEMPORARY		0	0	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SALARIES		<u>\$366,483</u>	<u>\$288,504</u>	<u>(\$77,979)</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$73,956	\$59,028	(\$14,928)
UNEMPLOYMENT TAX		334	774	440
WORKMEN'S COMPENSATION		806	664	(142)
HEALTH INSURANCE		69,230	65,031	(4,199)
RETIREE INSURANCE		2,000	8,034	6,034
LIFE INSURANCE		413	335	(78)
PARKING BENEFITS		2,544	2,064	(480)
TOTAL BENEFITS		<u>\$149,283</u>	<u>\$135,930</u>	<u>(\$13,353)</u>
TOTAL COMPENSATION		<u>\$515,766</u>	<u>\$424,434</u>	<u>(\$91,332)</u>
	POSTION	2010	2011	INCREASE/
POSITION TITLE	<u>RANGE</u>	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>	<u>(DECREASE)</u>
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	2.00	1.00	(1.00)
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>
TOTAL PERSONNEL		<u>5.30</u>	<u>4.30</u>	<u>(1.00)</u>

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.

2010 Accomplishments →

- Rewrote city-wide clean-up contractor request for qualifications, which yielded three new contractors and 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.
- Coordinated with Human Services and "Put Illinois to Work" to staff the summer Weeds Control program.
- Successfully maintained 138 City owned lots under the Division's control.
- Maintained a high level of customer service despite staff reductions.
- To date, Code Enforcement has handled 5,024 complaints in both Neighborhood Standards and Property Standards. Of those, 1,816 were tall weeds complaints. The total tall weeds violations were 2,860.

2011 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 RUM, Weed and Seed East and West and Human Services.
- Implemented the Hansen Code Enforcement Module Contracted Services section into the weeds enforcement program as trial start-up of full integration.
- 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.
- Begin to assemble ideas for improving the solid waste contract at renewal.

Budget Summary

CD CODE ENFORCEMENT DIVISION BUDGET SUMMARY					
APPROPRIATION	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$911,358	\$950,380	\$872,612	\$757,966	(\$192,414)
CONTRACTUAL	529,488	509,225	454,200	434,065	(75,160)
SUPPLIES	6,545	4,025	6,849	4,025	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$1,447,391</u>	<u>\$1,463,630</u>	<u>\$1,333,661</u>	<u>\$1,196,056</u>	<u>(\$267,574)</u>
STAFFING REVIEW					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>INCREASE (DECREASE)</u>
	13.00	14.20	12.20	10.20	(2.00)
FUNDING SOURCE					
		<u>2010 AMOUNT</u>	<u>2010 PERCENTAGE</u>	<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$149,422	10.2	\$123,718	10.3
CDBG FUND		479,420	32.7	570,260	47.7
SANITATION FUND		309,636	21.1	254,398	21.3
FEES		88,800	6.1	10,000	0.8
GENERAL REVENUES		<u>438,352</u>	<u>36.0</u>	<u>237,680</u>	<u>19.9</u>
TOTAL		<u>\$1,465,630</u>	<u>106.1</u>	<u>\$1,196,056</u>	<u>100.0</u>

Code Enforcement Division

Budget Analysis

The 2011 budget is \$1,196,056, a decrease of \$267,574 (18.3%) from the previous year. Personnel expenditures decreased by \$192,400 due to the retirement and planned elimination of the building official position and the transfer of staff to open positions in the Development Division. The majority of the reductions come from permanent salaries (\$133,000), IMRF (\$25,500), health insurance (\$40,600), worker's comp (\$1,300), and parking (\$960). Increases include retiree health insurance (\$8,000), and unemployment (\$1,100).

Contractual costs are budgeted at \$434,065, a decrease of \$75,160. Decreases include cleanups (\$40,700) and demolition (\$32,900), both reduced to meet deficit allocations. Other reductions occurred in vehicle repairs (\$3,500), telephone (\$8,200), and building rental (\$4,400). Increases occurred in printing (\$7,300) for additional compliance documentation and correspondence and fuel (\$6,300).

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

In 2010, the Code Enforcement Division spent \$1,333,661, or 91.1% 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 2011.

Code Enforcement Division

Personnel Review

COMMUNITY DEVELOPMENT CODE ENFORCEMENT DIVISION				
BENEFITS AND SALARIES		2010	2011	INCREASE/
SALARY		BUDGET	BUDGET	(DECREASE)
PERMANENT		\$599,053	\$468,101	(\$130,952)
TEMPORARY		0	0	0
OVERTIME		2,000	0	(2,000)
MERIT PAY		0	0	0
SALARY ADJUSTMENT		0	0	0
TOTAL SALARIES		\$601,053	\$468,101	(\$132,952)
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$121,293	\$95,774	(\$25,519)
UNEMPLOYMENT TAX		769	1,836	1,067
WORKMEN'S COMPENSATION		23,320	21,988	(1,332)
HEALTH INSURANCE		197,137	156,541	(40,596)
LIFE INSURANCE		952	796	(156)
RETIREE HEALTH INSURANCE		0	8,034	8,034
PARKING BENEFITS		5,856	4,896	(960)
TOTAL BENEFITS		\$349,327	\$289,865	(\$59,462)
TOTAL COMPENSATION		\$950,380	\$757,966	(\$192,414)
	POSTION	2010	2011	INCREASE/
POSITION TITLE	RANGE	EMPLOYEES	EMPLOYEES	(DECREASE)
BUILDING OFFICIAL		1.00	0.00	(1.00)
PROPERTY IMPROVEMENT PROG MANAGE	E-9	1.00	1.00	0.00
NEIGHBORHOOD ZONE COORDINATOR	E-7	2.00	1.00	(1.00)
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
TOTAL PERSONNEL		12.20	10.20	(2.00)

Performance Measurements

	2008 Actual	2009 Actual	2010 Actual	2011 Projected
Weed Complaints	3,375	3,417	3,530	3,800
Vehicle Tows	45	17	18	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.

2010 Accomplishments →

- Fully implemented Advanced Energy Conservation Code Program, including the adopted and facilitation of the 2009 International Energy Code inclusive of plan review, inspection and documentation.
- Ongoing integration of Construction and Developments Services Division to RockStat.
- Adopted and implemented wind conversion and solar regulations to the Zoning Ordinance.
- Conducted meetings with contractors, developers, engineers, and architects to provide status for process improvements and Process Improvement Plan.
- Completed City-wide update of zoning map to implement Long Range Comprehensive Plan.
- Adopted the 2009 International Codes with amendments. This included the formation of committees and review of trade regulations including existing building regulations and energy code.

2011 Goals and Objectives →

- Continue to streamline development process by facilitating one stop permitting.
- Facilitate development activities through positive customer service.
- Conduct a series of process improvement meetings with a focus on the mechanical, electrical and plumbing trades.
- Facilitate training for Mechanical contractor, design professionals and general contractors related to the 2009 International Mechanical Code with local amendments and 2009 Energy Code.
- Ongoing implementation and reporting of the Energy Grant/ Job Retention program from Energy Efficient Community Block Grant.

Construction & Development Services Division

- Integrate cross training of inspectors to allow for greater efficiency and satisfy benchmarks of 2011 Rockstat Score sheet.
- Complete and integrate customer survey.

Budget Summary

CONSTRUCTION & DEVELOPMENT SERVICES DIVISION BUDGET SUMMARY					
APPROPRIATION	<u>2009 ACTUAL</u>	<u>2010 BUDGET</u>	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$1,633,674	\$1,592,013	\$1,472,954	\$1,327,578	(\$264,435)
CONTRACTUAL	273,074	260,120	274,628	254,390	(5,730)
SUPPLIES	15,647	5,810	6,531	5,730	(80)
CAPITAL	0	0	0	0	0
TOTAL	<u>\$1,922,395</u>	<u>\$1,857,943</u>	<u>\$1,754,113</u>	<u>\$1,587,698</u>	<u>(\$270,245)</u>
STAFFING REVIEW					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>INCREASE (DECREASE)</u>
	19.00	25.00	18.00	15.00	(3.00)
FUNDING SOURCE					
		<u>2010 AMOUNT</u>	<u>2010 PERCENTAGE</u>	<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>
PROPERTY TAXES-FRINGE					
BENEFIT REIMBURSEMENTS		<u>\$243,093</u>	<u>13.1</u>	<u>\$207,996</u>	<u>13.1</u>
FEEES					
BUILDING		641,400	34.5	653,800	41.2
ELECTRICAL		46,100	2.5	50,000	3.1
PLUMBING/HEATING		133,100	7.2	150,000	9.4
ALL OTHER		<u>147,800</u>	<u>8.0</u>	<u>168,400</u>	<u>10.6</u>
TOTAL FEES		<u>968,400</u>	<u>52.2</u>	<u>1,022,200</u>	<u>64.3</u>
GENERAL REVENUES		<u>646,450</u>	<u>34.7</u>	<u>357,502</u>	<u>22.6</u>
TOTAL		<u>\$1,857,943</u>	<u>100.0</u>	<u>\$1,587,698</u>	<u>100.0</u>

Budget Analysis

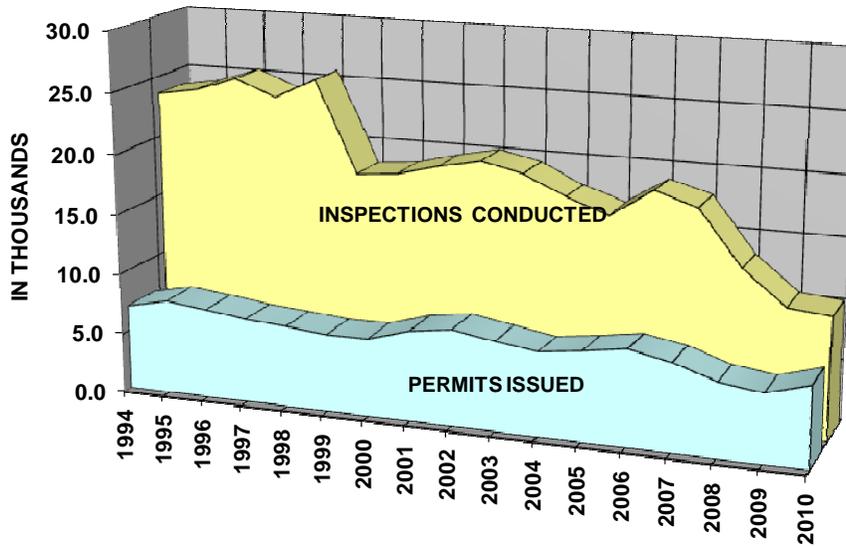
The 2011 budget of \$1,587,698 reflects a decrease of \$270,245. Personnel expenses decreased due to the 2009 fall layoffs and staff changes that resulted, as well as the removal of vacant plans examiner and administrative assistant positions. This includes a reduction in permanent salaries (\$184,600), health insurance (\$41,600), IMRF (\$35,100), workers compensation (\$1,900), and certification pay (\$3,000). Increases occurred in overtime (\$1,500) to handle the displaced workload and in unemployment (\$1,900) due to a rate increase.

Contractual costs decreased \$5,730 due to adjustments in internal service charges to the division. The supply budget reduced \$80.

Construction & Development Services Division

2010 fee revenue, budgeted at \$968,400, was \$1,009,673 for the year. 2011 fee income is based on 2010 actual less unusual permits. Revenue is estimated to be \$1,022,200, an increase of \$53,800 (budget/budget basis) and \$12,500 on an actual/budget basis.

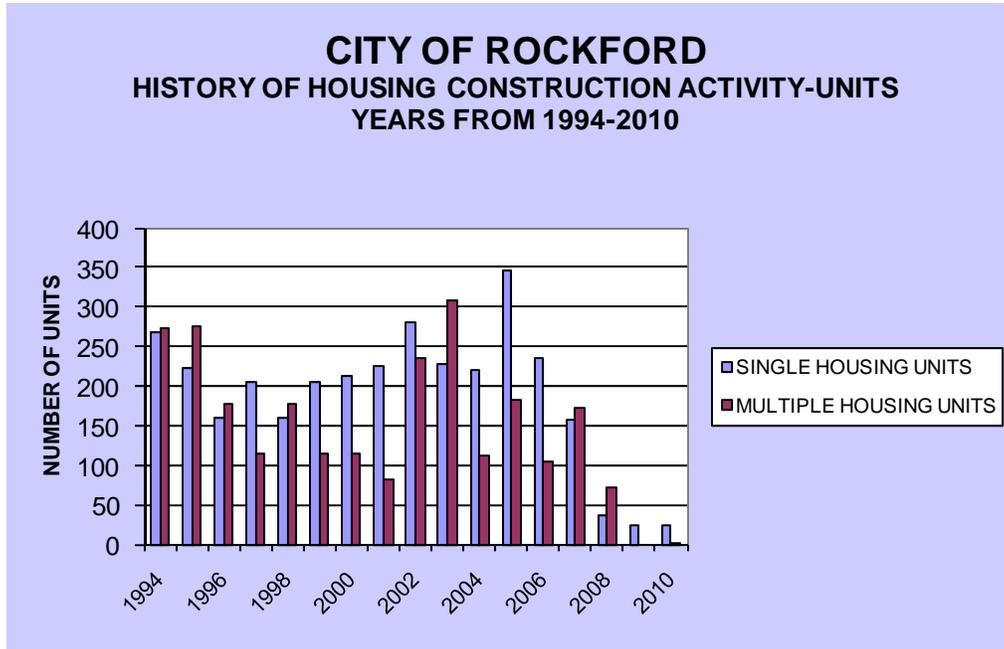
**CITY OF ROCKFORD, ILLINOIS
BUILDING PERMITS AND INSPECTIONS
YEARS FROM 1994-2010**



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 2010 was 6,722.

Construction & Development Services Division



Housing construction for single and multifamily units in 2009 was 23 and 0 for a total of 23. 2010 had similar levels of activity, with 24 single family units and two multifamily.

In 2010, the Construction and Development Services Division spent \$1,754,113 or 94.4% of its budgeted allocation. In the past several years, 91% to 125% of the budget has been spent.

Capital Equipment

There are no capital items budgeted for 2011.

Construction & Development Services Division

Personnel Review

CONSTRUCTION & DEVELOPMENT SERVICES DIVISION				
BENEFITS AND SALARIES		2010	2011	INCREASE/ (DECREASE)
SALARY		<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERMANENT		\$1,050,168	\$865,594	(\$184,574)
TEMPORARY		0	0	0
OVERTIME		3,000	4,500	1,500
MERIT PAY		0	0	0
TRANSLATOR PAY		1,170	0	(1,170)
SALARY CERTIFICATION		9,230	7,410	(1,820)
SALARY ADJUSTMENT		0	0	0
ZONING BOARD OF APPEALS		<u>2,100</u>	<u>2,100</u>	<u>0</u>
TOTAL SALARIES		<u>\$1,065,668</u>	<u>\$879,604</u>	<u>(\$186,064)</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$215,052	\$179,967	(\$35,085)
UNEMPLOYMENT TAX		819	2,700	1,881
WORKMEN'S COMPENSATION		27,222	25,329	(1,893)
HEALTH INSURANCE		273,208	231,608	(41,600)
LIFE INSURANCE		1,404	1,170	(234)
PARKING BENEFITS		<u>8,640</u>	<u>7,200</u>	<u>(1,440)</u>
TOTAL BENEFITS		<u>\$526,345</u>	<u>\$447,974</u>	<u>(\$78,371)</u>
TOTAL COMPENSATION		<u>\$1,592,013</u>	<u>\$1,327,578</u>	<u>(\$264,435)</u>
	POSTION	2010	2011	INCREASE/ (DECREASE)
POSITION TITLE	<u>RANGE</u>	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>	<u>(DECREASE)</u>
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	1.00	0.00	(1.00)
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	2.00	1.00	(1.00)
SENIOR INSPECTION OFFICER	CD-28	3.00	3.00	0.00
INSPECTION OFFICER	CD-26	5.00	4.00	(1.00)
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>
TOTAL PERSONNEL		<u>18.00</u>	<u>15.00</u>	<u>(3.00)</u>

Construction & Development Services Division

Performance Measurements

	2008 Actual	2009 Actual	2010 Actual	2011 Projected
Total Acres Annexed	372	37	3	40
Assessed Valuation in Annexed Areas	\$2,870,700	\$125,000	\$97,879	\$130,000
Dwelling Units in Annexed Areas	54	6	3	20
Zoning Applications	99	76	48	50
Zoning Clearances	1,945	1,730	1,729	2,000
Residential Permits	1,730	1,581	2,160	1,950
Commercial Permits	457	339	315	350
Demolitions	109	125	127	100
Plan reviews	806	472	448	500
Total inspections	13,259	10,485	10,157	11,000
Average inspections per day	52	42	40	45
Projects over \$1 million/total value	30/\$94M	16/\$50M	15/\$34M	10/\$30M

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 seven 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.

2010 Accomplishments →

- Administered the Healthy Neighborhoods program and other renewed or new public service projects; 6 projects were assisted.
- Continued existing rehabilitation programs.
- Code Enforcement provided needed services to the CDBG area, which included the Neighborhood Stabilization census tracts. Three sweeps were completed: Garrison/Coronado-Haskell/Garrison area, Sablewood neighborhood and Ellis Heights.
- Homebuyer assistance was provided to income eligible purchasers. The City successfully applied for an Illinois Housing Development Authority (IHDA) Homebuyer 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.

Community Development Business Group

- 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. Monitored Human Services' Emergency Solutions (Shelter) Grants Program which provided funds to 4 agencies.
- Sought proposals for Community Housing Development Organizations (CHDO) operating funds and awarded funds to 2 CHDOs. Monitored & 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.
- Administered the Neighborhood Stabilization Program partnering with lenders, the Rockford Area Board of Realtors, for-profit and non-profit developers. Leveraged private funds and made a positive impact in the Garrison/Coronado-Haskell neighborhood in particular.
- Directly acquired five properties for the purpose of demolition and/or redevelopment through the Community Development Block Grant program and provided funds to developers under the Neighborhood Stabilization programs for acquisition and redevelopment of property.
- Demolished 44 blighted properties.
- Began the process to redevelop Church School by executing a purchase agreement for the sale and developer applied for tax credits. Continue to work with a developer to secure project financing.
- 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. A grant was submitted to IHDA for a second grant but was not funded.
- 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 2011 Annual Plan and the Community Annual Performance and Evaluation Report (CAPER) for 2009.

Community Development Business Group

2011 Goals and Objectives →

- Administer the Healthy Neighborhoods program and other renewed or new public service and public facilities and improvements projects representing 4 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.
- 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 Neighborhood Stabilization Areas and other 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. A minimum of eight households will be assisted.
- Continue to facilitate the continued build out of the subdivision at Springfield Corners, Thatcher Blake Riverwalk, 21xx Reed Avenue, and the Garrison Lofts/Townhomes sites.
- Plan, develop, and administer programs according to CDBG and HOME Federal requirements. Monitor Human Services' Emergency Solution Grants Program with 4 projects expected.
- Seek proposals for CHDO operating funds and monitor project completion. It is anticipated that 3 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.
- Acquire two properties for the purpose of demolition and/or redevelopment through the Community Development Block Grant and provide funds to developers under the Neighborhood Stabilization programs for acquisition of property.
- Demolish 25 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.

Community Development Business Group

- 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 Program1 grant under the American Recovery and Reinvestment Act of 2009 and HERA of 2008.

Economic Development

The Economic Development Program, budgeted at \$490,292, is funded by the Community Development Block Grant. Of the total, \$353,412 is allocated for program costs, with a transfer for economic development staff, housed in the Planning Division, budgeted at \$136,880.

Economic Development funding includes the following:

- \$301,412 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.
- \$22,000 for Minority/Women Business Enterprise training.
- \$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 \$3,528,594, are funded from three grant programs: the Community Development Block Grant, \$1,910,253; the Home Program, \$1,386,368; Emergency Shelter Grants, \$92,065; and program income, \$68,500.

Neighborhood Development funding includes the following:

- \$2,161,832 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.
- \$489,010 is to fund the code enforcement program, which will address approximately 3,400 self-initiated and neighborhood standards complaints.
- \$58,588 for acquisition of property under private ownership. The funds will be used to acquire properties for use for new construction, the Homestead program or demolition program and vacant lots will be used for the development of single-family housing or to improve blighted conditions.
- \$26,666 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

Community Development Business Group

grant. The program is only made available to low-moderate income households. The City anticipates assisting 15 low-moderate income households.

- \$299,653 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 25 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.
- \$100,000 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 four units.
- \$30,000 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.
- \$72,973 is to be used by CHDO's for operating expenses. Funding level is for three CHDO's.
- \$92,065 is for the Emergency Shelter Grant program, administered by the Human Services Department.

In addition, \$524,665 is budgeted for Block Grant general administrative costs which includes \$76,002 for Section 108 debt payment if necessary. Funding is from Block Grant, \$303,536, the Home Program \$101,504, NSP funds, \$73,699, and program income, \$53,500.

Budget Analysis

CD DEVELOPMENT DIVISION BUDGET SUMMARY					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$600,732	\$606,250	\$523,840	\$685,617	\$79,367
CONTRACTUAL	728,669	1,116,050	448,358	311,992	(804,058)
SUPPLIES	9,792	8,850	5,973	9,150	300
OTHER	4,130,136	3,209,626	3,609,705	3,536,792	327,166
CAPITAL	0	0	0	0	0
TOTAL	\$5,469,329	\$4,940,776	\$4,587,876	\$4,543,551	(\$397,225)

STAFFING REVIEW	2008	2009	2010	2011	INCREASE (DECREASE)
	8.75	7.50	7.00	8.00	1.00

FUNDING SOURCE	2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE
CURRENT FUNDS				
COMMUNITY DEVELOPMENT GRANT	\$2,101,638	42.3	\$2,355,780	52.6
HOME PROGRAM	1,018,339	20.5	1,015,047	22.7
OTHER FEDERAL/STATE	992,310	20.0	92,065	2.1
PROGRAM INCOME	122,000	2.5	122,000	2.7
	4,234,287	85.3	3,584,892	80.1
REPROGRAMMED FUNDS-PRIOR YEARS				
COMMUNITY DEVELOPMENT GRANT	205,680	4.1	422,000	9.4
HOME PROGRAM	524,500	10.5	472,825	10.6
OTHER FEDERAL/STATE	0	0.1	0	-0.1
	730,180	14.7	894,825	19.9
TOTAL	\$4,964,467	100.0	\$4,479,717	100.0

Community Development Business Group

The 2011 budget is \$4,543,551, which is a decrease of \$397,200 due to the elimination of \$900,000 for Brownfields Grants and a decrease in HOME (\$54,900), offset by increases in Administration (\$62,800), Economic Development (\$283,400), Neighborhood Development (\$160,600), and NSP (\$73,500) (See sections above).

Personnel costs increased \$79,367 (13.1%), due to staffing changes. Increases occurred in salaries (\$32,900), health insurance (\$36,000), IMRF (\$7,800), worker's comp (\$2,750), parking (\$1,300) and unemployment (\$1,000), offset by a decrease in retiree insurance (\$2,500).

Non-program contractual expenses decrease \$4,700 with adjustments in a number of accounts. Building rental decreases \$2,500, vehicle repairs \$2,000, telephone \$1,700 and printing \$1,600 to reflect changes in activity levels. Risk management increases \$1,200 and audit \$2,500. Supply costs increase \$300 to reflect actual expenses for office supplies. Administrative costs, required to not exceed 20% of expenditures, are projected to be 13% for 2011.

Program income is \$107,000 for the Block Grant and \$15,000 for the HOME program.

Under Federal guidelines, grant years remain open until funds are expended. The Division estimates that at the end of 2010, a total of \$894,825 will be reprogrammed for 2011. These reprogrammed funds include \$422,000 in prior year Community Development Block Grant Funds, and \$472,825 in prior year Home Program funds.

In 2011, the Community Development Business Group spent \$4,587,876 or 92.6% of its budgeted allocation. In the past several years, spending has been between 81% and 134% of the budgeted amount.

Capital Equipment

For 2011, the Division will not have any capital purchases.

Five Year Financial Forecast

The 2012-2016 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 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$4,470	\$4,604	\$4,742	\$4,884	\$5,031
Expenditures	<u>4,470</u>	<u>4,604</u>	<u>4,742</u>	<u>4,884</u>	<u>5,031</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				
BENEFITS AND SALARIES		2010	2011	INCREASE/
SALARY		BUDGET	BUDGET	(DECREASE)
PERMANENT		\$399,013	\$431,880	\$32,867
TOTAL SALARIES		\$399,013	\$431,880	\$32,867
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$80,520	\$88,363	\$7,843
UNEMPLOYMENT TAX		441	1,440	999
WORKMEN'S COMPENSATION		3,216	5,966	2,750
HEALTH INSURANCE		117,494	153,504	36,010
RETIREE HEALTH INSURANCE		2,500	0	(2,500)
LIFE INSURANCE		546	624	78
PARKING BENEFITS		<u>2,520</u>	<u>3,840</u>	<u>1,320</u>
TOTAL BENEFITS		\$207,237	\$253,737	\$46,500
TOTAL COMPENSATION		\$606,250	\$685,617	\$79,367
	POSTION	2010	2011	INCREASE/
POSITION TITLE	RANGE	EMPLOYEES	EMPLOYEES	(DECREASE)
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	1.00	2.00	1.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
TOTAL PERSONNEL		<u>7.00</u>	<u>8.00</u>	<u>1.00</u>

Performance Measurements

Plans for 2011 forecast similar levels of activity. Selected activity levels for 2008-2011 are illustrated below.

	2008	2009	2010	2011
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Projected</u>
Housing rehabilitation	132	90	96	124
Homeless programs	4	4	4	5
New construction units	12	10	2	27
Demolitions	31	13	44	25
Public services/facilities, organizations	9	9	7	8
Acquisitions	2	4	5	2
Homebuyer Assistance	13	24	13	8
Tax incentive program	1	0	0	3
Hope VI driveways installed	29	n/a	n/a	n/a

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.

2010 Accomplishments

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

2011 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	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$9,187	\$6,000	\$3,230	\$6,000	\$0
OTHER	5,183,428	3,396,397	3,031,884	3,153,956	(242,441)
TOTAL	<u>\$5,192,615</u>	<u>\$3,402,397</u>	<u>\$3,035,114</u>	<u>\$3,159,956</u>	<u>(\$242,441)</u>
FUNDING SOURCE	2010		2011		2011
REDEVELOPMENT SALES TAX	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
MOTEL	\$304,500	8.7	\$311,300	8.6	
PACKAGE	499,100	14.3	512,800	14.2	
RESTAURANT	2,691,600	77.0	2,777,900	77.2	
SUBTOTAL	<u>3,495,200</u>	<u>100.0</u>	<u>3,602,000</u>	<u>100.0</u>	
INTEREST INCOME	0	0.0	0	0.0	
TOTAL	<u>\$3,495,200</u>	<u>100.0</u>	<u>\$3,602,000</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 – \$1,362,761
- All other expenses – \$1,373,475

Metro Center Subsidy

- Total 2011 City commitment is \$1,050,000 with \$450,000 from the Redevelopment Fund and \$600,000 from the Tourism Promotion Fund. If the current agreement with the Rockford Area Convention and Visitors Bureau (RACVB) cannot be amended, then the Redevelopment Fund will loan \$550,000 in 2010 and \$600,000 in 2011 until the current agreement ends. The Tourism Promotion Fund would begin paying its subsidy contribution to the Metro Center in 2012 as well as repaying the Redevelopment Fund the \$1,150,000.

Debt Service

- \$203,318 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).
- \$712,000 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.
- \$5,575 net (2011 debt service \$1,836,575) 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 (\$5,575), and the 2009 \$8.065 Metro Center taxable refunding issue (\$1,371,000).
- \$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.

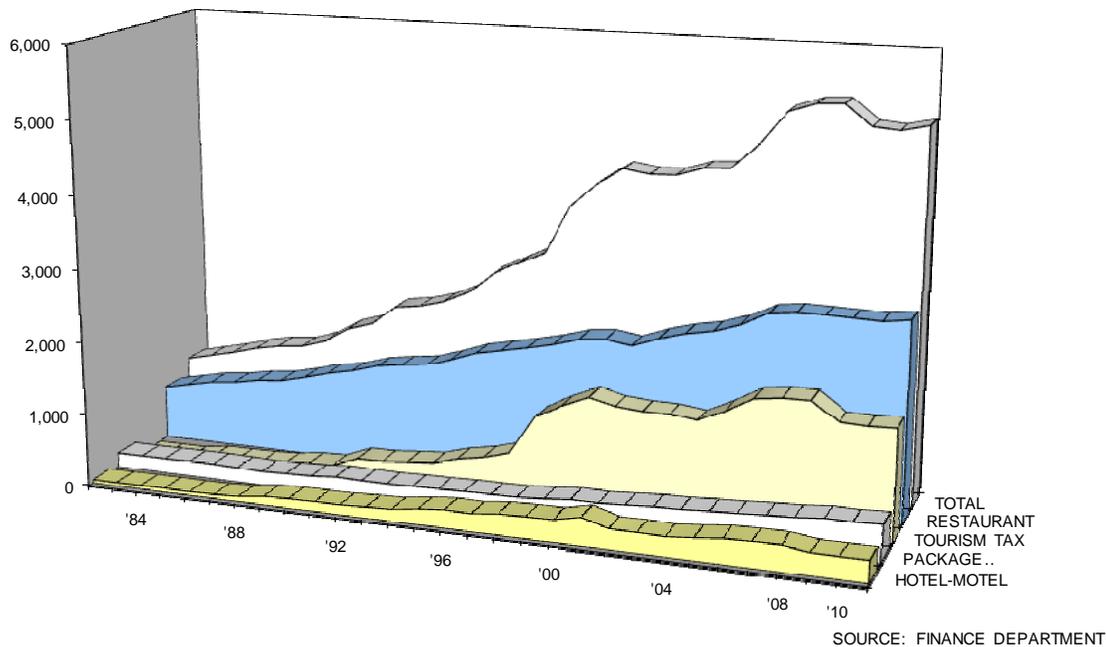
Redevelopment Fund

- \$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).
- \$26,000 will be reimbursed to the Public Works Water Division for the Millennium Fountain maintenance.
- \$671,200 is transferred to the Public Works Property Division for staff services for building maintenance at the Coronado Theater (\$300,700), Festival Park (\$66,000), the Armory (\$52,500), Barber Colman (\$84,700), and Ingersoll (\$167,300).
- \$6,000 is budgeted for contractual expenses.
- \$108,100 is for tax collection cost reimbursement.
- \$112,175 is for interest expense.

Budget Analysis

2009 tax revenue, budgeted at \$3,658,300, was \$3,506,778 at year’s end, a loss of \$151,500 (-4.1%) from the budget and an increase of \$24,000 (-0.7%) from the 2008 actual. Tax revenue for 2010, budgeted at \$3,495,200, is estimated at \$3,457,000, a loss of \$38,200 (-1.1%), a decrease of \$201,300 (-5.5%) from the 2009 budget of \$3,658,300 and a decrease of \$49,800 (-1.4%) from 2009’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%. 2011 income is estimated to be \$3,528,000, an increase of \$32,800 (0.9%) from the 2010 budget and an increase of \$71,000 (2.7%) from the estimated 2010 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 2010, the Redevelopment Fund spent \$3,035,114 or 89.2% of the budgeted allocation. In the past several years, 89% to 131% of the budget has been spent.

Five Year Financial Forecast

The 2012-2016 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 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$3,676	\$3,752	\$3,829	\$3,908	\$3,989
Expenses	<u>3,020</u>	<u>3,040</u>	<u>4,362</u>	<u>4,411</u>	<u>4,456</u>
Excess (Deficit)	656	712	(533)	(503)	(467)
Beginning Balance	(2,252)	(1,596)	(884)	(1,417)	(1,920)
Ending Balance	<u>(\$1,596)</u>	<u>(\$884)</u>	<u>(\$1,417)</u>	<u>(\$1,920)</u>	<u>(\$2,387)</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.

2010 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.

2011 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

COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND						
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)	
TRANSFER TO RACVB	\$1,408,034	\$1,103,300	\$1,054,449	\$837,300	(\$266,000)	
RAVE SUBSIDY	0	0	350,000	600,000	600,000	
PURCHASE OF SERVICES	<u>99,700</u>	<u>119,200</u>	<u>119,200</u>	<u>119,200</u>	<u>0</u>	
TOTAL	<u>\$1,507,734</u>	<u>\$1,222,500</u>	<u>\$1,523,649</u>	<u>\$1,556,500</u>	<u>\$334,000</u>	
FUNDING SOURCE			2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
TOURISM PROMOTION SALES TAX			<u>\$1,522,500</u>	<u>100.0</u>	<u>\$1,556,500</u>	<u>100.0</u>
TOTAL			<u>\$1,522,500</u>	<u>100.0</u>	<u>\$1,556,500</u>	<u>100.0</u>

Budget Analysis

Tax revenue for 2010, budgeted at \$1,522,500, was \$1,541,578, an increase of \$19,080 (1.3%), a decrease of \$327,900 (-17.5%) from the 2009 budget of \$1,869,500 and an increase of \$33,800 from 2009's actual. 2011 income is estimated to be \$1,556,500, an increase of \$34,000 (2.2%) from the 2010 budget of \$1,522,500 and an increase of \$14,900 (0.9%) from the 2010 actual of \$1,541,578. Expenses in 2011 include \$1,800 for collection costs, \$117,400 for City tourism costs, \$600,000 to RAVE for the operating subsidy and the balance (\$837,300) to the Rockford Area Convention and Visitor's Bureau for operating expenses.

In 2010, the Tourism Promotion Fund spent \$1,523,649 or 124.6% of its budgeted allocation. In the past several years, 81% to 125% of the budget has been spent.

Five Year Financial Forecast

The 2012-2016 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 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$1,489	\$1,504	\$1,519	\$1,534	\$1,550
Expenses	<u>1,489</u>	<u>1,504</u>	<u>1,519</u>	<u>1,534</u>	<u>1,550</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.

2010 Accomplishments →

- Provided financial assistance to the River District Association and Miracle Mile Rockford to support marketing of TIF Districts.
- Continued to market TIF Districts at trade shows.
- Helped with Great Downtown Open House tour event of 12 downtown residential properties simultaneously.
- Supported the Lantow Lofts project developed by Zion Development Corporation by providing TIF funding for the rehabilitation of the Katie's Cup community room at 502 7th Street.
- Created two new TIF Districts: Broadway and East River.

2011 Goals and Objectives →

- Continue to seek new investment and redevelopment opportunities.
- Work with other organizations including River District Association, Miracle Mile Rockford, and the Element to develop and implement marketing strategies.
- Use TIF funds to leverage other funding sources like Brownfields Economic Development Initiative (BEDI), HUD Section 108 loans, and Federal historic preservation tax credits.

Retail Tax Increment Financing Districts

Budget Summary

COMMUNITY DEVELOPMENT EAST SIDE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$6,457	\$10,000	\$20,000	\$10,000	\$0
OTHER	1,099,974	415,963	320,178	332,150	(83,813)
TOTAL	\$1,106,431	\$425,963	\$340,178	\$342,150	(\$83,813)
FUNDING SOURCE		2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE
PROPERTY TAXES					
TAX INCREMENT		\$348,070	99.7	\$348,042	100.0
INTEREST INCOME		1,200	0.3	0	0.0
TOTAL		\$349,270	100.0	\$348,042	100.0

COMMUNITY DEVELOPMENT EAST RIVER TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	0	303,169	267,605	52,689	(250,480)
TOTAL	\$0	\$303,169	\$267,605	\$52,689	(\$250,480)
FUNDING SOURCE		2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE
PROPERTY TAXES					
TAX INCREMENT		\$46,500	0.0	\$116,568	0.0
INTEREST INCOME		423	0.0	1,687	0.0
TOTAL		\$46,923	0.0	\$118,255	0.0

COMMUNITY DEVELOPMENT WEST SIDE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$394	\$0	\$0	\$0	\$0
OTHER	183,342	678,186	643,614	435,473	(242,713)
TOTAL	\$183,736	\$678,186	\$643,614	\$435,473	(\$242,713)
FUNDING SOURCE		2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE
PROPERTY TAXES					
TAX INCREMENT		\$404,390	100.0	404,387	100.0
INTEREST INCOME		0	0.0	0	0.0
TOTAL		\$404,390	100.0	\$404,387	100.0

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT WEST SIDE 2 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$2,500	\$0	\$0	\$0	\$0
OTHER	907	700	0	355	(345)
TOTAL	<u>\$3,407</u>	<u>\$700</u>	<u>\$0</u>	<u>\$355</u>	<u>(\$345)</u>
FUNDING SOURCE		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$9,990	0.0	\$10,000	100.0
INTEREST INCOME		0	0.0	0	0.0
TOTAL		<u>\$9,990</u>	<u>0.0</u>	<u>\$10,000</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT RIVER NORTH TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$100,000	\$0	\$0	\$0	\$0
OTHER	38,004	28,913	270,989	133,324	104,411
TOTAL	<u>\$138,004</u>	<u>\$28,913</u>	<u>\$270,989</u>	<u>\$133,324</u>	<u>\$104,411</u>
FUNDING SOURCE		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$79,700	100.0	\$100,976	100.0
INTEREST INCOME		0	0.0	0	0.0
TOTAL		<u>\$79,700</u>	<u>100.0</u>	<u>\$100,976</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT SOUTH ROCKFORD TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$144	\$0	\$0	\$0	\$0
OTHER	338,018	175,494	173,037	175,494	0
TOTAL	<u>\$338,162</u>	<u>\$175,494</u>	<u>\$173,037</u>	<u>\$175,494</u>	<u>\$0</u>
FUNDING SOURCE		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$128,453	100.0	\$126,948	99.9
INTEREST INCOME		0	0.0	100	0.1
TOTAL		<u>\$128,453</u>	<u>100.0</u>	<u>\$127,048</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT ASSISTED LIVING TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <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>

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$0	0.0	\$40	0.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$0</u>	<u>0.0</u>	<u>\$40</u>	<u>0.0</u>

COMMUNITY DEVELOPMENT STATE KILBURN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>1,439</u>	<u>833</u>	<u>0</u>	<u>0</u>	<u>(\$833)</u>
TOTAL	<u>\$1,439</u>	<u>\$833</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$833)</u>

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$23,760	100.0	\$23,300	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$23,760</u>	<u>100.0</u>	<u>\$23,300</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT STATE CENTRAL TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$11,286	\$0	\$0	\$0	\$0
OTHER	<u>398,134</u>	<u>250,000</u>	<u>250,000</u>	<u>250,746</u>	<u>746</u>
TOTAL	<u>\$409,420</u>	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$250,746</u>	<u>\$746</u>

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$250,740	99.3	\$250,700	100.0
INTEREST INCOME	<u>1,800</u>	<u>0.7</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$252,540</u>	<u>100.0</u>	<u>\$250,700</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT SPRINGFIELD CORNERS TAX INCEMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$198,632	\$330,338	\$1,532,705	\$314,847	(\$15,491)
TOTAL	<u>\$198,632</u>	<u>\$330,338</u>	<u>\$1,532,705</u>	<u>\$314,847</u>	(\$15,491)
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$411,100	100.0	\$390,341	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$411,100</u>	<u>100.0</u>	<u>\$390,341</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT NORTH MAIN STREET TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	79,468	80,346	68,963	176,920	107,957
TOTAL	<u>\$79,468</u>	<u>\$80,346</u>	<u>\$68,963</u>	<u>\$176,920</u>	<u>\$107,957</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$76,680	100.0	\$86,232	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$76,680</u>	<u>100.0</u>	<u>\$86,232</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT MAIN AUBURN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$25	\$0	\$0	\$0	\$0
OTHER	156	5,000	0	10,000	5,000
TOTAL	<u>\$181</u>	<u>\$5,000</u>	<u>\$0</u>	<u>\$10,000</u>	<u>\$5,000</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$20,030	0.0	\$20,000	95.2
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>1,000</u>	<u>4.8</u>
TOTAL		<u>\$20,030</u>	<u>0.0</u>	<u>\$21,000</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT MAIN WHITMAN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$101,386	\$101,386	\$0	(\$101,386)
OTHER	<u>1,467,781</u>	<u>5,265</u>	<u>0</u>	<u>105,151</u>	99,886
TOTAL	<u>\$1,467,781</u>	<u>\$106,651</u>	<u>\$101,386</u>	<u>\$105,151</u>	(\$1,500)

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$41,580	100.0	\$77,900	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$41,580</u>	<u>100.0</u>	<u>\$77,900</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT SEVENTH STREET TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$1,762	\$10,300	\$425	\$10,300	\$0
OTHER	<u>1,932,032</u>	<u>1,628,170</u>	<u>1,598,921</u>	<u>1,144,120</u>	(484,050)
TOTAL	<u>\$1,933,794</u>	<u>\$1,638,470</u>	<u>\$1,599,346</u>	<u>\$1,154,420</u>	(\$484,050)

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$1,044,600	98.0	\$1,056,661	99.3
INTEREST INCOME	<u>21,100</u>	<u>2.0</u>	<u>7,000</u>	<u>0.7</u>
TOTAL	<u>\$1,065,700</u>	<u>100.0</u>	<u>\$1,063,661</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT MIDTOWN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>165,000</u>	<u>165,000</u>	<u>31,127</u>	(133,873)
TOTAL	<u>\$0</u>	<u>\$165,000</u>	<u>\$165,000</u>	<u>\$31,127</u>	(\$133,873)

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$65,210	97.0	\$65,860	100.0
INTEREST INCOME	<u>2,000</u>	<u>3.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$67,210</u>	<u>100.0</u>	<u>\$65,860</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT BROADWAY TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	135,000	25,000	0	2,100	(22,900)
TOTAL	\$135,000	\$25,000	\$0	\$2,100	(\$22,900)

FUNDING SOURCE	2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE
PROPERTY TAXES				
TAX INCREMENT	\$52,360	100.0	\$52,884	100.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	\$52,360	100.0	\$52,884	100.0

COMMUNITY DEVELOPMENT STATE ALPINE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$2,853	\$12,000	\$0	\$12,000	\$0
OTHER	253,796	340,429	300,000	310,429	(30,000)
TOTAL	\$256,649	\$352,429	\$300,000	\$322,429	(\$30,000)

FUNDING SOURCE	2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE
PROPERTY TAXES				
TAX INCREMENT	\$262,530	0.0	\$265,200	98.9
INTEREST INCOME	7,000	0.0	3,000	1.1
TOTAL	\$269,530	0.0	\$268,200	100.0

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 \$960,000 and an estimated ending deficit of \$287,000 in 2026, and Main Whitman, a high deficit year of \$519,000 (2025) and an estimated ending deficit of \$54,000 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 \$2.2 million will need to be transferred from 2010 through 2018 from the former to the latter.

Retail Tax Increment Financing Districts

No long term financing is planned for 2011.

Five Year Financial Forecasts

The 2012-2016 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.

EAST SIDE TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$348	\$350	\$350	\$350	\$350
Expenditures	<u>156</u>	<u>352</u>	<u>352</u>	<u>352</u>	<u>429</u>
Excess (Deficit)	192	(2)	(2)	(2)	(78)
Beginning Balance	(109)	83	82	80	78
Ending Balance	<u>\$83</u>	<u>\$82</u>	<u>\$80</u>	<u>\$78</u>	<u>(\$0)</u>

EAST RIVER TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$119	\$121	\$123	\$124	\$124
Expenditures	<u>79</u>	<u>103</u>	<u>127</u>	<u>126</u>	<u>125</u>
Excess (Deficit)	40	18	(4)	(2)	(1)
Beginning Balance	92	132	150	146	143
Ending Balance	<u>\$132</u>	<u>\$150</u>	<u>\$146</u>	<u>\$144</u>	<u>\$142</u>

WEST SIDE TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$404	\$407	\$414	\$414	\$414
Expenditures	<u>214</u>	<u>210</u>	<u>411</u>	<u>411</u>	<u>682</u>
Excess (Deficit)	190	196	3	2	(268)
Beginning Balance	(123)	67	263	266	268
Ending Balance	<u>\$67</u>	<u>\$263</u>	<u>\$266</u>	<u>\$268</u>	<u>\$0</u>

WEST SIDE 2 TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$10	\$10	\$11	\$11	\$11
Expenditures	<u>0</u>	<u>0</u>	<u>10</u>	<u>10</u>	<u>10</u>
Excess (Deficit)	10	10	1	1	1
Beginning Balance	1	11	21	22	23
Ending Balance	<u>\$11</u>	<u>\$21</u>	<u>\$22</u>	<u>\$23</u>	<u>\$24</u>

RIVER NORTH TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$110	\$114	\$117	\$120	\$122
Expenditures	<u>26</u>	<u>76</u>	<u>75</u>	<u>130</u>	<u>129</u>
Excess (Deficit)	84	38	42	(10)	(7)
Beginning Balance	<u>392</u>	<u>476</u>	<u>515</u>	<u>556</u>	<u>546</u>
Ending Balance	<u>\$476</u>	<u>\$514</u>	<u>\$557</u>	<u>\$546</u>	<u>\$539</u>

Retail Tax Increment Financing Districts

SOUTH ROCKFORD TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$129	\$129	\$129	\$130	\$130
Expenditures	<u>172</u>	<u>174</u>	<u>176</u>	<u>178</u>	<u>180</u>
Excess (Deficit)	<u>(44)</u>	<u>(45)</u>	<u>(47)</u>	<u>(48)</u>	<u>(50)</u>
Beginning Balance	<u>(44)</u>	<u>(88)</u>	<u>(133)</u>	<u>(179)</u>	<u>(228)</u>
Ending Balance	<u>(\$88)</u>	<u>(\$133)</u>	<u>(\$179)</u>	<u>(\$228)</u>	<u>(\$278)</u>

ASSISTED LIVING TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</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>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>

STATE KILBURN TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$24	\$25	\$26	\$28	\$29
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficit)	<u>24</u>	<u>25</u>	<u>26</u>	<u>28</u>	<u>29</u>
Beginning Balance	<u>22</u>	<u>47</u>	<u>72</u>	<u>98</u>	<u>126</u>
Ending Balance	<u>\$46</u>	<u>\$72</u>	<u>\$98</u>	<u>\$126</u>	<u>\$155</u>

STATE CENTRAL TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$251	\$251	\$251	\$251	\$251
Expenditures	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>
Excess (Deficit)	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Beginning Balance	<u>(8)</u>	<u>(8)</u>	<u>(8)</u>	<u>(7)</u>	<u>(7)</u>
Ending Balance	<u>(\$7)</u>	<u>(\$7)</u>	<u>(\$7)</u>	<u>(\$6)</u>	<u>(\$6)</u>

SPRINGFIELD CORNERS TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$418	\$421	\$424	\$570	\$577
Expenditures	<u>451</u>	<u>472</u>	<u>467</u>	<u>486</u>	<u>474</u>
Excess (Deficit)	<u>(33)</u>	<u>(51)</u>	<u>(43)</u>	<u>84</u>	<u>103</u>
Beginning Balance	<u>(257)</u>	<u>(290)</u>	<u>(341)</u>	<u>(384)</u>	<u>(300)</u>
Ending Balance	<u>(\$290)</u>	<u>(\$341)</u>	<u>(\$384)</u>	<u>(\$300)</u>	<u>(\$197)</u>

NORTH MAIN STREET TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$92	\$143	\$147	\$151	\$155
Expenditures	<u>180</u>	<u>179</u>	<u>226</u>	<u>223</u>	<u>219</u>
Excess (Deficit)	<u>(88)</u>	<u>(36)</u>	<u>(79)</u>	<u>(72)</u>	<u>(64)</u>
Beginning Balance	<u>(420)</u>	<u>(508)</u>	<u>(544)</u>	<u>(623)</u>	<u>(695)</u>
Ending Balance	<u>(\$508)</u>	<u>(\$544)</u>	<u>(\$623)</u>	<u>(\$695)</u>	<u>(\$760)</u>

Retail Tax Increment Financing Districts

MAIN AUBURN TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$21	\$22	\$22	\$22	\$22
Expenditures	<u>10</u>	<u>20</u>	<u>25</u>	<u>25</u>	<u>25</u>
Excess (Deficit)	11	2	(3)	(3)	(3)
Beginning Balance	40	52	53	50	47
Ending Balance	<u>\$51</u>	<u>\$54</u>	<u>\$50</u>	<u>\$47</u>	<u>\$44</u>

MAIN WHITMAN TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$80	\$84	\$87	\$91	\$95
Expenditures	<u>108</u>	<u>107</u>	<u>106</u>	<u>125</u>	<u>124</u>
Excess (Deficit)	(28)	(23)	(19)	(34)	(29)
Beginning Balance	(256)	(283)	(307)	(326)	(360)
Ending Balance	<u>(\$284)</u>	<u>(\$306)</u>	<u>(\$326)</u>	<u>(\$360)</u>	<u>(\$389)</u>

7TH STREET TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$1,067	\$1,069	\$1,069	\$1,070	\$1,069
Expenditures	<u>1,034</u>	<u>1,048</u>	<u>1,045</u>	<u>1,119</u>	<u>1,298</u>
Excess (Deficit)	34	20	24	(49)	(230)
Beginning Balance	200	234	255	279	230
Ending Balance	<u>\$234</u>	<u>\$255</u>	<u>\$279</u>	<u>\$230</u>	<u>\$0</u>

MIDTOWN TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$70	\$71	\$72	\$74	\$75
Expenditures	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
Excess (Deficit)	20	21	22	24	25
Beginning Balance	89	109	130	152	176
Ending Balance	<u>\$109</u>	<u>\$130</u>	<u>\$152</u>	<u>\$176</u>	<u>\$201</u>

BROADWAY TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$53	\$54	\$55	\$56	\$56
Expenditures	<u>1</u>	<u>25</u>	<u>50</u>	<u>50</u>	<u>50</u>
Excess (Deficit)	52	29	5	6	6
Beginning Balance	(57)	(5)	24	29	35
Ending Balance	<u>(\$5)</u>	<u>\$24</u>	<u>\$29</u>	<u>\$35</u>	<u>\$41</u>

Retail Tax Increment Financing Districts

STATE ALPINE TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$275	\$276	\$280	\$283	\$287
Expenditures	<u>305</u>	<u>255</u>	<u>260</u>	<u>257</u>	<u>240</u>
Excess (Deficit)	(30)	21	20	26	47
Beginning Balance	<u>189</u>	<u>158</u>	<u>179</u>	<u>198</u>	<u>224</u>
Ending Balance	<u>\$159</u>	<u>\$179</u>	<u>\$199</u>	<u>\$224</u>	<u>\$271</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.

2010 Accomplishments →

- Completed reconstruction projects for Kishwaukee Street and Kishwaukee Bridge.
- Continued implementation of Kishwaukee Corridor Study recommendations.
- Continued to coordinate Kishwaukee Corridor Empowerment Group.
- Continued cooperative marketing plan for industrial TIFs with RAEDC.
- Expanded boundary of Global TradePark TIF #1.
- Continued evaluation of creating Global TradePark South Redevelopment Planning Area.
- Advocated successfully for extension of Industrial Jobs Recovery Act.
- Completed negotiations for annexation boundary and utility agreement with Village of Davis Junction.
- Completed employee training activities for companies in Global Trade Park and Kishwaukee Harrison districts.
- Demolished buildings 10 and 19 at Barber Colman.
- Completed construction of Wanxiang's 40,000 square foot solar panel manufacturing facility.
- Commenced construction of Rockford Solar Partners' 200 acre solar farm.

Industrial Tax Increment Financing Districts

- Haldex Hydraulics Corporation relocated machine tools creating eight new jobs, retaining 31 and investing \$5 million.
- Ingersoll Machine Tool created new wind energy business with 87 new jobs, retained 69 jobs, and invested \$12 million.
- Ring Container Tech added 8,000 square feet, retaining 30 jobs and investing \$7.5 million.
- Pyramid Plastics, Inc added new machinery, creating 15 new jobs, retaining 40 and investing \$500,000.
- ABI, Inc added 25,000 square feet, creating 16 jobs, retaining four and investing \$1.07 million.
- Arntzen Corp. added new 4,500 square feet office, retaining 35 jobs and investing \$1.05 million.
- Phoenix Investors Purchased Amerock Bldg at 4000 Auburn, created 25 jobs, retained 25 jobs and invested \$2.9 million.
- Railroad Construction Equipment committed to add 11,000 square feet, create 15 jobs, retain 12 jobs and invest \$750,000.
- Provided assistance to Global Display Solutions, Brew House, Cellusuede Products Inc, Navistar, Reload/Watco, Gates Corp, Testors, Driveline Systems, American Colloid Co: Jacobson Warehousing, Goeller Inc: Gfi Metal treating, B/E Aerospace, Arntzen Corp, UPS, Flow-EZE Co: Rockford Products, and W.A. Whitney:

2011 Goals & Objectives →

- Begin construction of Logistics Parkway extension.
- 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.
- Construct new Rockford Global TradePark sign.
- Continue cooperative marketing plan for industrial TIFs with RAEDC.
- Continue evaluation of creating Global TradePark South Redevelopment Planning Area.
- Initiate annexation of Gensler and Wolfenberger properties.
- Eliminate three sources of blight in industrial TIFs.

Industrial Tax Increment Financing Districts

- 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.

Budget Summary

COMMUNITY DEVELOPMENT GLOBAL TRADE PARK TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$3,027	\$13,500	\$2,691	\$10,000	(\$3,500)
OTHER	1,684,058	750,463	754,988	809,168	58,705
TOTAL	<u>\$1,687,085</u>	<u>\$763,963</u>	<u>\$757,679</u>	<u>\$819,168</u>	<u>\$55,205</u>

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$884,887	100.0	\$1,079,000	100.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	<u>\$884,887</u>	<u>100.0</u>	<u>\$1,079,000</u>	<u>100.0</u>

COMM DEV GLOBAL TRADE PARK 2 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$6,688	\$0	\$1,787	\$0	\$0
OTHER	215,169	133,700	100,000	236,000	102,300
TOTAL	<u>\$221,857</u>	<u>\$133,700</u>	<u>\$101,787</u>	<u>\$236,000</u>	<u>\$102,300</u>

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$211,200	0.0	\$193,600	98.3
INTEREST INCOME	403	0.0	3,371	1.7
TOTAL	<u>\$211,603</u>	<u>0.0</u>	<u>\$196,971</u>	<u>100.0</u>

Industrial Tax Increment Financing Districts

COMM DEV GLOBAL TRADE PARK 3 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>75,000</u>	<u>50,000</u>	<u>50,000</u>	<u>100,000</u>	<u>50,000</u>
TOTAL	<u>\$75,000</u>	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$100,000</u>	<u>\$50,000</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$135,100	0.0	\$138,900	98.2
TAX INCREMENT		<u>312</u>	<u>0.0</u>	<u>2,532</u>	<u>1.8</u>
INTEREST INCOME		<u>\$135,412</u>	<u>0.0</u>	<u>\$141,432</u>	<u>100.0</u>
TOTAL					

COMMUNITY DEVELOPMENT PRESTON CENTRAL TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$28,544	\$0	\$0
OTHER	<u>105,267</u>	<u>142,702</u>	<u>105,600</u>	<u>135,454</u>	<u>(7,248)</u>
TOTAL	<u>\$105,267</u>	<u>\$142,702</u>	<u>\$134,144</u>	<u>\$135,454</u>	<u>(\$7,248)</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$20,900	100.0	\$37,300	27.5
TAX INCREMENT		0	0.0	98,300	72.5
OTHER		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
INTEREST INCOME		<u>\$20,900</u>	<u>100.0</u>	<u>\$135,600</u>	<u>100.0</u>
TOTAL					

COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>29,796</u>	<u>45,050</u>	<u>33,273</u>	<u>46,239</u>	<u>1,189</u>
TOTAL	<u>\$29,796</u>	<u>\$45,050</u>	<u>\$33,273</u>	<u>\$46,239</u>	<u>\$1,189</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$53,000	97.6	\$54,399	99.2
TAX INCREMENT		<u>1,327</u>	<u>2.4</u>	<u>416</u>	<u>0.8</u>
INTEREST INCOME		<u>\$54,327</u>	<u>100.0</u>	<u>\$54,815</u>	<u>100.0</u>
TOTAL					

Industrial Tax Increment Financing Districts

COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON #2 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <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>

FUNDING SOURCE	2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$245	100.0	\$253	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$245</u>	<u>100.0</u>	<u>\$253</u>	<u>100.0</u>

Budget Analysis

This six district group collectively runs a deficit for the entire period, a low of \$0.7 million in 2012 and a high of \$2.7 million in 2031. This is entirely due to the Preston and Central TIF District which has had not only 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 will be 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 2011.

Five Year Financial Forecasts

The 2012-2016 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.

Industrial Tax Increment Financing Districts

GLOBAL TRADE PARK TIF #1 FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$1,096	\$819	\$835	\$850	\$869
Expenditures	824	834	882	773	1,033
Excess (Deficit)	<u>272</u>	<u>(15)</u>	<u>(47)</u>	<u>77</u>	<u>(164)</u>
Beginning Balance	71	343	328	281	358
Ending Balance	<u>\$343</u>	<u>\$328</u>	<u>\$281</u>	<u>\$358</u>	<u>\$194</u>

GLOBAL TRADE PARK TIF #2 FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$198	\$199	\$203	\$205	\$207
Expenditures	236	137	187	188	188
Excess (Deficit)	<u>(38)</u>	<u>62</u>	<u>16</u>	<u>17</u>	<u>19</u>
Beginning Balance	96	57	120	135	152
Ending Balance	<u>\$58</u>	<u>\$119</u>	<u>\$136</u>	<u>\$152</u>	<u>\$171</u>

GLOBAL TRADE PARK TIF #3 FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$144	\$146	\$148	\$149	\$150
Expenditures	100	150	150	150	150
Excess (Deficit)	<u>44</u>	<u>(4)</u>	<u>(2)</u>	<u>(1)</u>	<u>0</u>
Beginning Balance	143	187	183	181	180
Ending Balance	<u>\$187</u>	<u>\$183</u>	<u>\$181</u>	<u>\$180</u>	<u>\$180</u>

PRESTON CENTRAL TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$38	\$70	\$72	\$73	\$74
Expenditures	133	134	134	134	134
Excess (Deficit)	<u>(95)</u>	<u>(64)</u>	<u>(62)</u>	<u>(61)</u>	<u>(60)</u>
Beginning Balance	<u>(1,122)</u>	<u>(1,218)</u>	<u>(1,282)</u>	<u>(1,345)</u>	<u>(1,406)</u>
Ending Balance	<u>(\$1,217)</u>	<u>(\$1,282)</u>	<u>(\$1,344)</u>	<u>(\$1,406)</u>	<u>(\$1,466)</u>

KISHWAUKEE HARRISON TIF #1 FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$56	\$56	\$57	\$58	\$59
Expenditures	47	47	48	48	49
Excess (Deficit)	<u>9</u>	<u>9</u>	<u>9</u>	<u>10</u>	<u>10</u>
Beginning Balance	25	34	43	53	63
Ending Balance	<u>\$34</u>	<u>\$43</u>	<u>\$53</u>	<u>\$63</u>	<u>\$73</u>

KISHWAUKEE HARRISON TIF #2 FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0	0
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	0	1	1	1	1
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.

2010 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, 8 units have been sold and there are 2 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 construction is stalled on the remaining three lots due to the sluggish market.
- Garrison Lofts (School & Gym) still enjoys very high occupancy rates on all completed units. The developer is about to begin construction on an additional unit as demand remains strong. The developer has also acquired several additional properties for rehab in the neighborhood. Their presence and positive affect grows each year despite the dismal realities of real estate in general.
- Garrison Town Homes has recently completed two additional model units and they have regular traffic. They had an October Fest themed open house to show off the models, the considerable work completed to the remaining shell units and the grounds. Items include; Additional stoops, garage spaces, blacktop, landscaping, lighting and general curb appeal. One town home has been sold.
- 21XX Reed is currently available for sale. There is an interested party but no contracts have been executed for the sale of the lot.

Residential Tax Increment Financing Districts

2011 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 2011.
- 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 (8 units), the developer intends to proceed with the new construction of additional units. This will be market driven.
- 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.

Budget Summary

COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT #1					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
OTHER	\$96,688	\$45,688	\$45,688	\$44,688	(\$1,000)
TOTAL	\$96,688	\$45,688	\$45,688	\$44,688	(\$1,000)
FUNDING SOURCE	2010		2011		2011
PROPERTY TAXES	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
TAX INCREMENT	\$75,500	96.2	\$76,800	96.2	
INTEREST INCOME	3,000	3.8	3,000	3.8	
TOTAL	\$78,500	100.0	\$79,800	100.0	

Residential Tax Increment Financing Districts

COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT #2					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$25,239	\$23,631	\$23,631	\$48,631	\$25,000
TOTAL	<u>\$25,239</u>	<u>\$23,631</u>	<u>\$23,631</u>	<u>\$48,631</u>	<u>\$25,000</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$47,000	98.3	\$54,600	97.7
TAX INCREMENT		800	1.7	1,300	2.3
INTEREST INCOME		<u>\$47,800</u>	<u>100.0</u>	<u>\$55,900</u>	<u>100.0</u>
TOTAL					

COMMUNITY DEVELOPMENT HOPE SIX TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$127,638	\$118,115	\$129,119	\$265,808	\$147,693
TOTAL	<u>\$127,638</u>	<u>\$118,115</u>	<u>\$129,119</u>	<u>\$265,808</u>	<u>\$147,693</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$182,990	100.0	\$181,530	100.0
TAX INCREMENT		0	0.0	0	0.0
INTEREST INCOME		<u>\$182,990</u>	<u>100.0</u>	<u>\$181,530</u>	<u>100.0</u>
TOTAL					

COMMUNITY DEVELOPMENT GARRISON TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$72,891	\$74,415	\$64,463	\$71,802	(\$2,613)
TOTAL	<u>\$72,891</u>	<u>\$74,415</u>	<u>\$64,463</u>	<u>\$71,802</u>	<u>(\$2,613)</u>
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$51,800	100.0	\$53,000	100.0
TAX INCREMENT		0	0.0	0	0.0
INTEREST INCOME		<u>\$51,800</u>	<u>100.0</u>	<u>\$53,000</u>	<u>100.0</u>
TOTAL					

Residential Tax Increment Financing Districts

COMMUNITY DEVELOPMENT RIVER OAKS TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$191,550	\$317,706	\$298,588	\$309,844	(\$7,862)
TOTAL	<u>\$191,550</u>	<u>\$317,706</u>	<u>\$298,588</u>	<u>\$309,844</u>	(\$7,862)
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$71,300	100.0	\$73,000	100.0
TAX INCREMENT		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
INTEREST INCOME		<u>\$71,300</u>	<u>100.0</u>	<u>\$73,000</u>	<u>100.0</u>
TOTAL					

COMMUNITY DEVELOPMENT JACKSON SCHOOL TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2009 <u>ACTUAL</u>	2010 <u>BUDGET</u>	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$75,000	\$75,000
OTHER	<u>22,000</u>	<u>212,000</u>	<u>206,063</u>	<u>67,735</u>	(144,265)
TOTAL	<u>\$22,000</u>	<u>\$212,000</u>	<u>\$206,063</u>	<u>\$142,735</u>	(\$69,265)
FUNDING SOURCE					
		2010 <u>AMOUNT</u>	2010 <u>PERCENTAGE</u>	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>
PROPERTY TAXES		\$121,400	96.3	\$143,385	98.7
TAX INCREMENT		<u>4,700</u>	<u>3.7</u>	<u>1,900</u>	<u>1.3</u>
INTEREST INCOME		<u>\$126,100</u>	<u>100.0</u>	<u>\$145,285</u>	<u>100.0</u>
TOTAL					

Budget Analysis

This six district group collectively runs a deficit until 2026 ranging from \$1.2 million in 2011 to \$2.7 million in 2019. The deficit generators are Hope 6, a high deficit year (2023) of \$820,000 before turning positive in 2027, Garrison, a high deficit year (2023) of \$650,000 before turning positive in 2027, and River Oaks, a high deficit year (2019) of \$1.8 million before turning positive in 2025.

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 2011.

Residential Tax Increment Financing Districts

Five Year Financial Forecast

The 2012-2016 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 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$82	\$82	\$82	\$82	\$82
Expenditures	69	92	89	86	83
Excess (Deficit)	13	(10)	(7)	(4)	(1)
Beginning Balance	144	157	148	141	137
Ending Balance	<u>\$157</u>	<u>\$147</u>	<u>\$141</u>	<u>\$137</u>	<u>\$136</u>

LINCOLNWOOD TIF FUND #2 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	55	55	55	54	53
Expenditures	48	72	80	67	65
Excess (Deficit)	7	(17)	(25)	(13)	(12)
Beginning Balance	56	63	47	22	9
Ending Balance	<u>63</u>	<u>46</u>	<u>22</u>	<u>9</u>	<u>(3)</u>

HOPE SIX TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$186	\$193	\$199	\$207	\$214
Expenditures	262	259	279	274	269
Excess (Deficit)	(76)	(66)	(80)	(67)	(55)
Beginning Balance	(203)	(280)	(346)	(426)	(494)
Ending Balance	<u>(\$280)</u>	<u>(\$347)</u>	<u>(\$426)</u>	<u>(\$493)</u>	<u>(\$549)</u>

GARRISON TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$144	\$139	\$142	\$145	\$148
Expenditures	76	174	171	168	164
Excess (Deficit)	68	(35)	(29)	(23)	(16)
Beginning Balance	(327)	(259)	(294)	(323)	(345)
Ending Balance	<u>(\$259)</u>	<u>(\$294)</u>	<u>(\$323)</u>	<u>(\$346)</u>	<u>(\$361)</u>

RIVER OAKS TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$75	\$77	\$79	\$345	\$353
Expenditures	319	344	345	345	361
Excess (Deficit)	(244)	(267)	(266)	0	(8)
Beginning Balance	(1,037)	(1,281)	(1,548)	(1,814)	(1,814)
Ending Balance	<u>(1,281)</u>	<u>(1,548)</u>	<u>(1,814)</u>	<u>(1,814)</u>	<u>(1,822)</u>

Residential Tax Increment Financing Districts

JACKSON SCHOOL TIF FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues	\$153	\$155	\$157	\$159	\$162
Expenditures	<u>167</u>	<u>166</u>	<u>165</u>	<u>164</u>	<u>163</u>
Excess (Deficit)	(14)	(11)	(8)	(5)	(1)
Beginning Balance	<u>168</u>	<u>154</u>	<u>143</u>	<u>135</u>	<u>130</u>
Ending Balance	<u>\$154</u>	<u>\$143</u>	<u>\$135</u>	<u>\$130</u>	<u>\$129</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.
- City Council approved a two year increase, \$3.00 per month, to \$14.20 effective January 1, 2010. At the end of 2011, rates will be reviewed.

Community Development Sanitation Fund

Budget Summary

COMMUNITY DEVELOPMENT SANITATION DIVISION BUDGET SUMMARY					
APPROPRIATION	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$768	\$0	\$0	\$0	\$0
CONTRACTUAL	6,882,379	7,288,405	6,567,498	7,138,632	(149,773)
SUPPLIES	1,439	25,500	1,100	500	(25,000)
OTHER	1,613,244	1,293,600	1,293,600	1,367,775	74,175
TOTAL	<u>\$8,497,830</u>	<u>\$8,607,505</u>	<u>\$7,862,198</u>	<u>\$8,506,907</u>	<u>(\$100,598)</u>
STAFFING REVIEW					
	2008	2009	2010	2011	INCREASE (DECREASE)
TOTAL	1.00	0.00	0.00	0.00	0.00
FUNDING SOURCE					
	2010 AMOUNT	2010 PERCENTAGE	2011 AMOUNT	2011 PERCENTAGE	
PROPERTY TAXES					
SANITATION	\$21,000	0.2	\$21,000	0.2	
FRINGE BENEFIT REIMBURSEMENT	700	0.0	700	0.0	
USER FEE	8,463,800	99.1	8,571,100	99.1	
LANDFILL RENT	15,400	0.2	15,400	0.2	
INTEREST INCOME	41,400	0.5	39,000	0.5	
TOTAL	<u>\$8,542,300</u>	<u>100.0</u>	<u>\$8,647,200</u>	<u>100.0</u>	

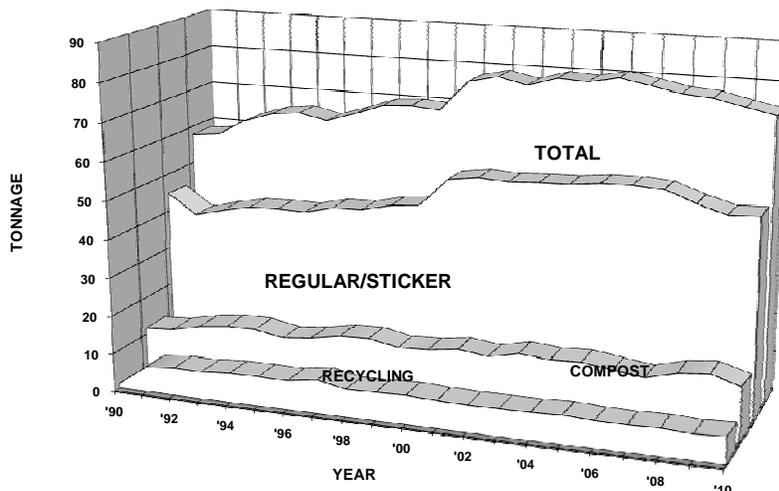
Budget Analysis

The contractual budget for collection and disposal costs will decrease \$128,800 or 1.8% from the previous year. Rate increases change by the CPI; 2010 CPI (to be released mid January 2011) is estimated to be 2.5%. The collection rate will increase from \$64.46 to \$66.07 per ton while the disposal rate will rise from \$36.93 to \$37.85 per ton. Estimated 2010 tonnage is 73,650, 5,850 tons less than the budgeted 79,500 while 2011's projected 74,820 tons is 4,680 tons less than 2010's budget and 1,170 tons more than the estimated 2010 actual. Customers are estimated at 49,670 for the year.

Code Enforcement Division staff monitor and enforce the contract. Supplies decrease \$25,000 with the elimination of budgeted dollars for site improvement at the household hazardous waste collection site. Purchase of services increases \$74,175 reflecting an 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 21,820 tons, will be diverted for 2011.

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 2010 user fee was increased to pay for this service. The user fee remains at the same rate for 2011, \$170.40. Other income includes land rental and interest earnings.

In 2010, the Sanitation Fund spent \$7,862,198 or 91.3% of the budgeted allocation. In the past several years, 91% to 99% of the budget has been spent.

Five Year Financial Forecast

The 2012-2016 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. Rates will remain unchanged through 2011 and then will be reviewed.

SANITATION FUND 2012-2016 FINANCIAL FORECAST (IN 000'S)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Recommended Rates	\$180.00	\$186.00	\$192.00	\$198.00	\$204.00
Revenues	\$9,203	\$9,593	\$9,986	\$10,388	\$10,794
Expenses	<u>8,687</u>	<u>9,138</u>	<u>9,298</u>	<u>9,771</u>	<u>9,953</u>
Excess(Deficit)	<u>516</u>	<u>455</u>	<u>687</u>	<u>617</u>	<u>841</u>
Beginning Balance	<u>2,609</u>	<u>3,126</u>	<u>3,581</u>	<u>4,268</u>	<u>4,885</u>
Ending Balance	<u>\$3,126</u>	<u>\$3,581</u>	<u>\$4,268</u>	<u>\$4,885</u>	<u>\$5,726</u>
RESERVE	36.0	39.2	45.9	50.0	57.5

Community Development Sanitation Fund

Performance Measurements

	2008 <u>Tonnage</u>	2009 <u>Tonnage</u>	2010 Budgeted <u>Tonnage</u>	(Est) 2010 <u>Tonnage</u>	2011 Budgeted <u>Tonnage</u>	<u>2010-2011</u>	<u>2010 Actual/ 2011 Budget</u>
Regular	53,875	51,786	56,000	52,120	53,210	(2,790)	1,090
Composting	15,854	16,620	16,000	14,320	14,560	(1,440)	240
Recycling	7,239	6,830	7,500	7,210	7,330	(170)	120
Sticker	<u>3</u>	<u>17</u>	<u>20</u>	<u>3</u>	<u>20</u>	<u>0</u>	<u>17</u>
	76,971	75,253	79,520	73,653	75,120	(4,400)	1,467
Landfill	53,878	51,803	56,020	52,123	53,230	(2,790)	1,107
Baxter	15,854	16,620	16,000	14,320	14,560	(1,440)	240
Recycled	<u>7,239</u>	<u>6,830</u>	<u>7,500</u>	<u>7,210</u>	<u>7,330</u>	<u>(170)</u>	<u>120</u>
	76,971	75,253	79,520	73,653	75,120	(4,400)	1,467
Diversion Rate	30.0	31.2	29.6	29.2	29.1		