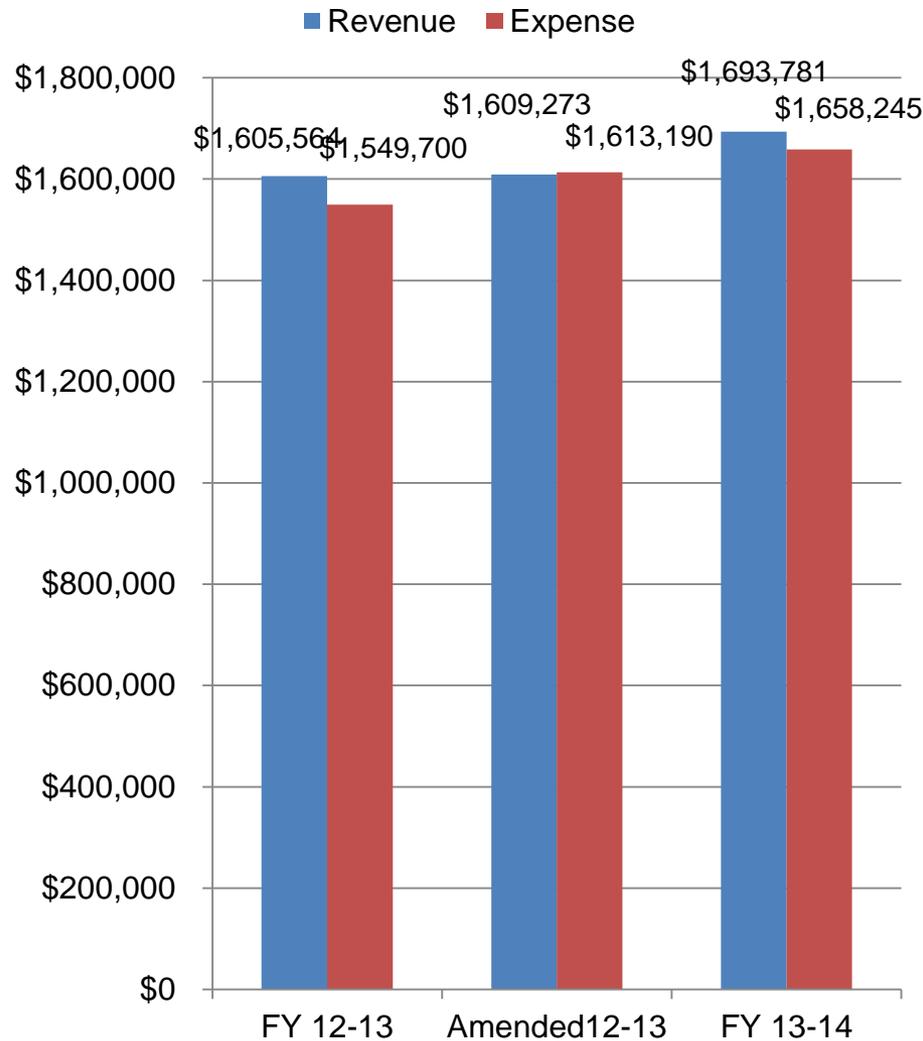


BUDGET MEETING III

3/11/2013

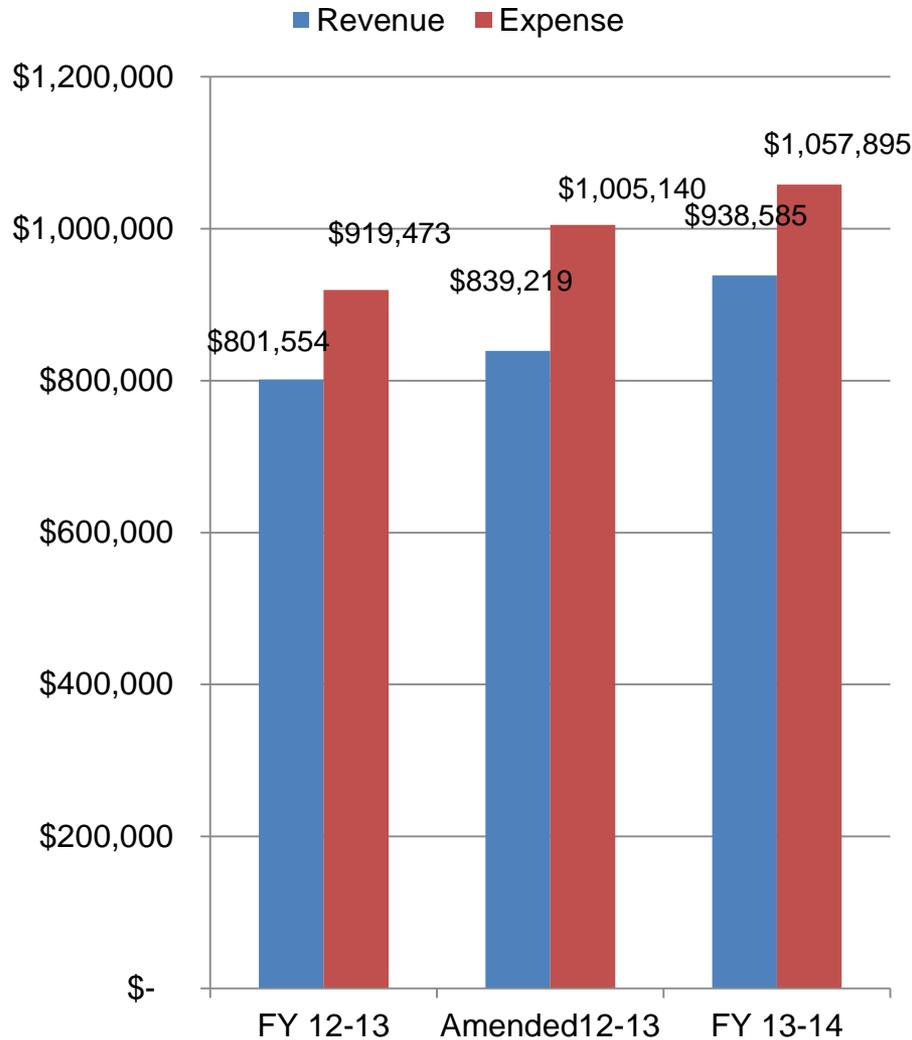
Health Insurance Fund



- Amended Revenues: 0.2% ▲
- Amended Expenses: 4.1% ▲
- Amended Difference: -\$3,917

- FY13-14 Revenues: 5.5% ▲
- FY 13-14 Expenses: 7.0% ▲
- FY 13-14 Difference: +\$35,536
- Estimated increase of
- Current Fund Balance is approximately 33%. Policy suggests 33%

Fire Pension Fund

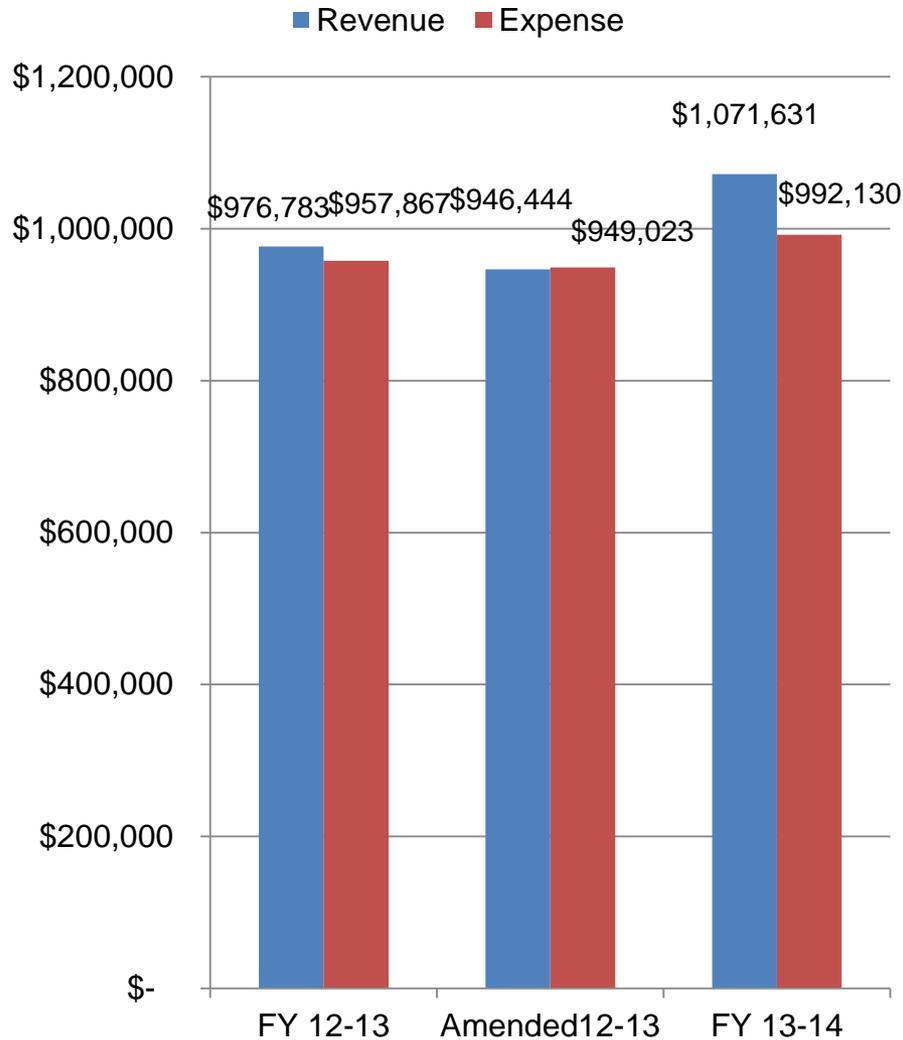


- Amended Revenues: 4.7% ▲
- Amended Expenses: 9.3% ▲
- Amended Difference: -\$165,921

- FY13-14 Revenues: 17.1% ▲
- FY 13-14 Expenses: 15.1% ▲
- FY 13-14 Difference: -\$119,310

- The problems remain evident as we continue to increase contributions by large percentages and the funds are still spending more than they are taking in between investment returns and property tax contributions

Police Pension Fund

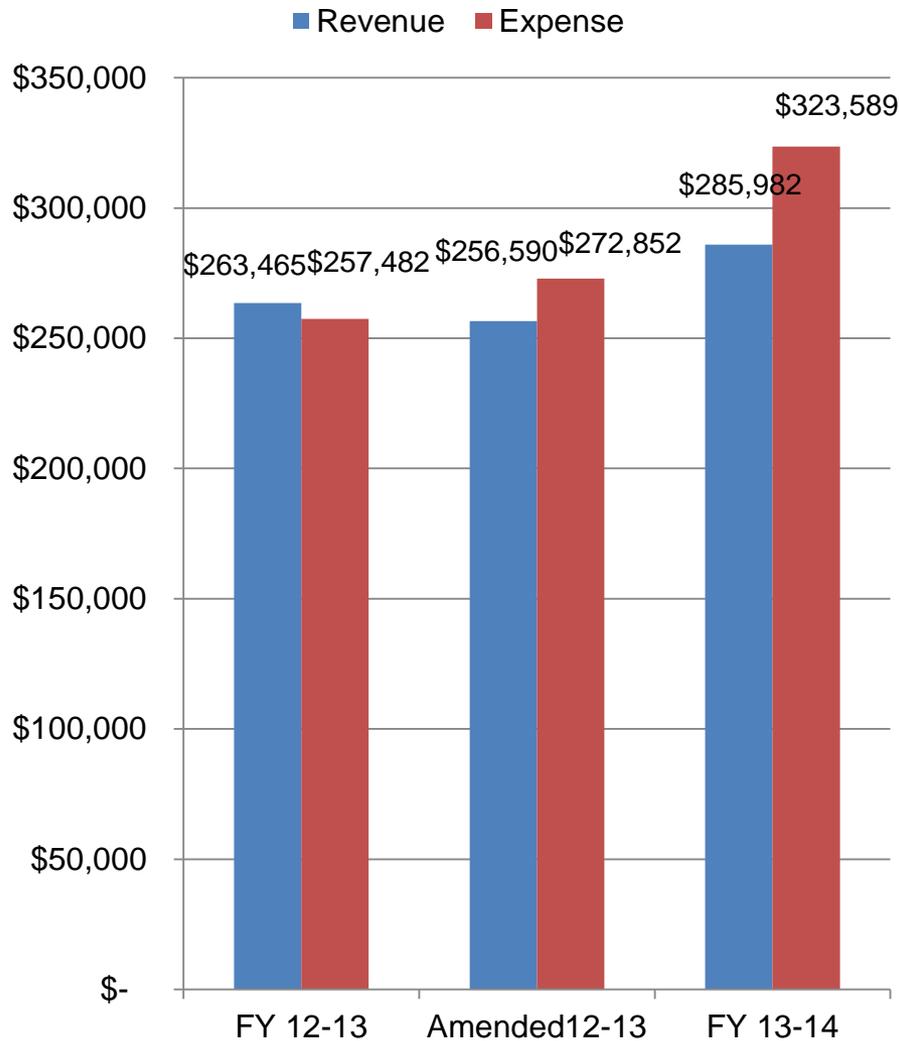


- Amended Revenues: 3.1% ▼
- Amended Expenses: 0.9% ▼
- Amended Difference: -\$2,579

- FY13-14 Revenues: 9.7% ▲
- FY 13-14 Expenses: 3.6% ▲
- FY 13-14 Difference: +\$79,501

- Via the Tax Levy, City is adding more than \$100,000 to the revenue side

IL Municipal Retirement Fund



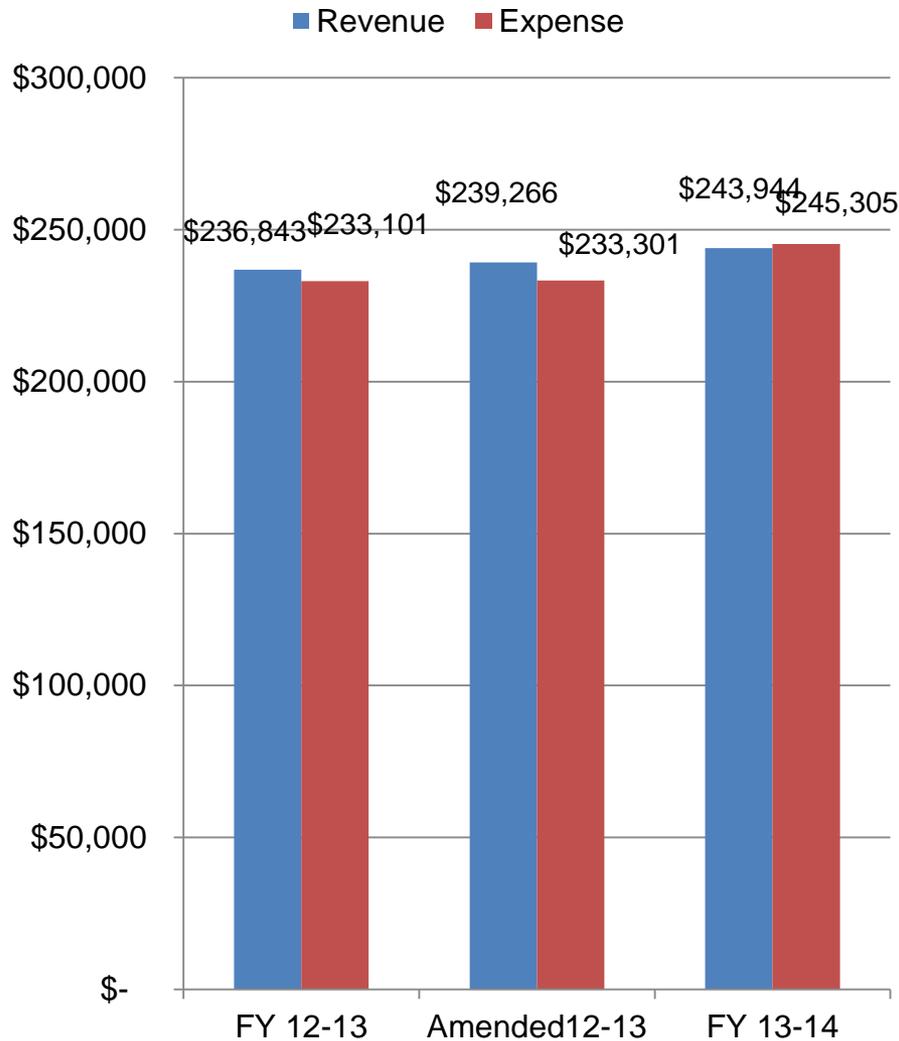
- Amended Revenues: 2.6% ▼
- Amended Expenses: 6.0% ▲
- Amended Difference: -\$16,262

- FY13-14 Revenues: 8.5% ▲
- FY 13-14 Expenses: 25.7% ▲
- FY 13-14 Difference: -\$37,607

- 2011 IMRF rate was 11.14%
- 2012 IMRF rate was 10.57%
- 2013 IMRF rate is 12.25%

- Nearly \$500,000 in fund balance.
- Purposely drawing down balance rather than levying for full amount required over next several years
- Estimated 8-10 years of draw down depending on IMRF contribution rates

Social Security Fund

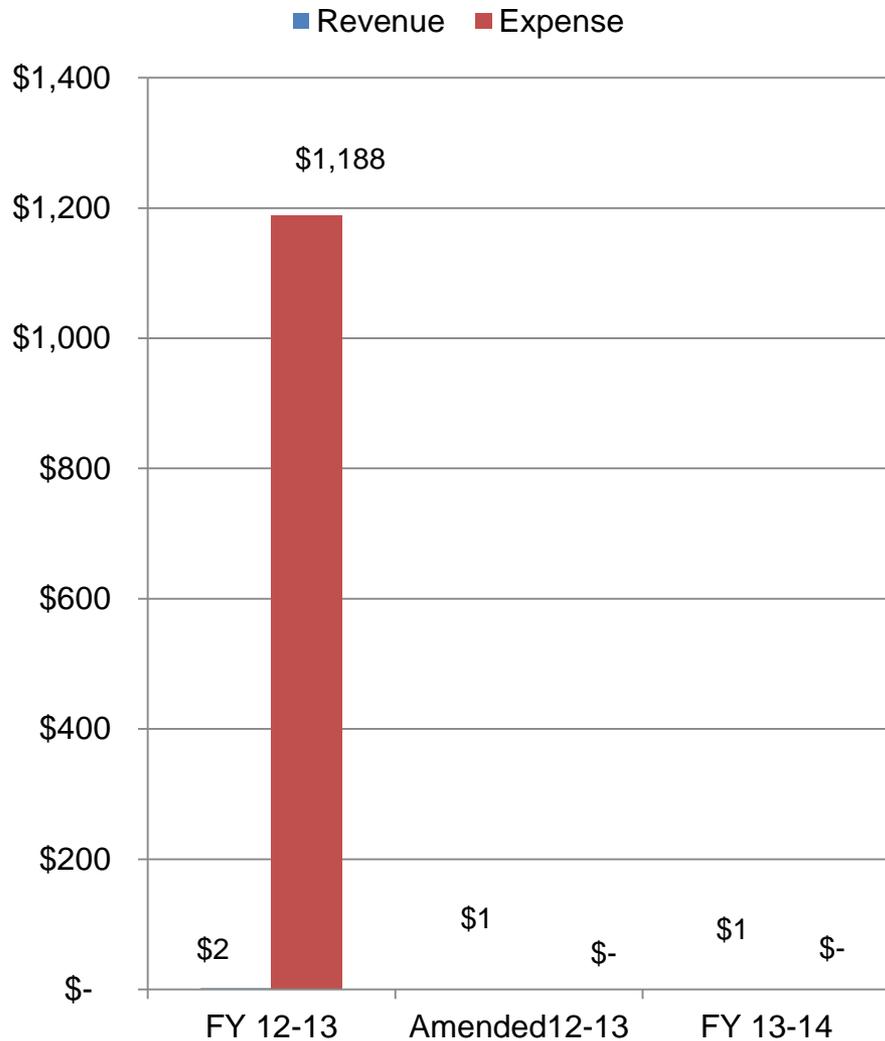


- Amended Revenues: 1.0% ▲
- Amended Expenses: 0.1% ▲
- Amended Difference: +\$5,965

- FY13-14 Revenues: 3.0% ▲
- FY 13-14 Expenses: 5.2% ▲
- FY 13-14 Difference: -\$1,361

- Fund Balance - \$330,000
- Should slowly begin to draw down similar to IMRF

Trust Committee Fund



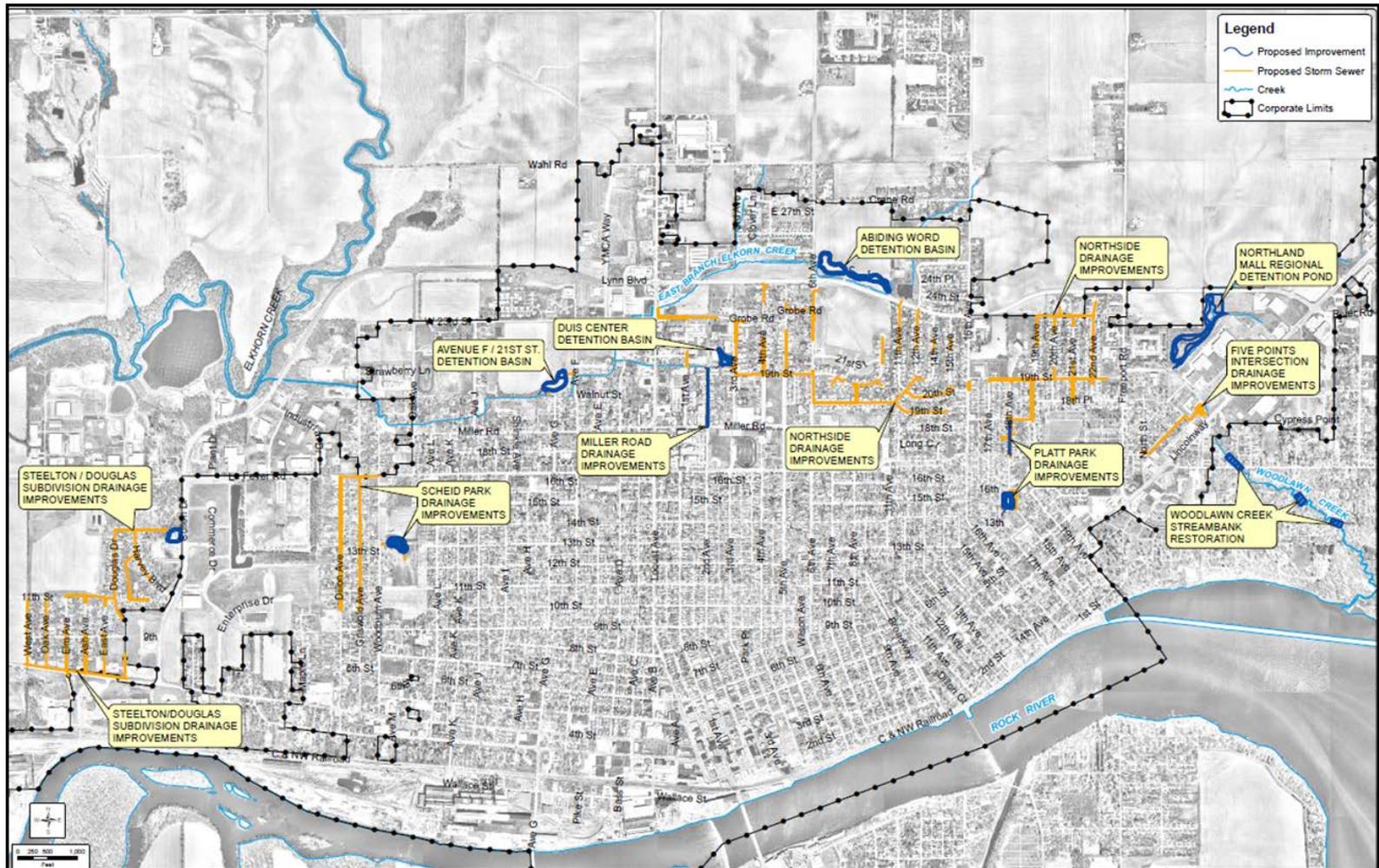
- Fund exists as a holding place for veterans recognition monument at the riverfront
- Fund has \$1,187

Whiteside Area Housing Fund



- Fund exists in the event we move forward with a joint housing coalition. It held joint funds for NSP grant writing work.
- A few Whiteside cities, including Sterling, are looking to partner with an existing agency if possible
- Has no funds

Stormwater Projects



*Does not include Thomas Park dredging

Stormwater Utility - Projects

2014 Projects	
5 Points/Sanborn Detention Basin	\$ 299,000
Northland North	\$ 529,000
Northland South	\$ 1,029,000
Miller	\$ 648,000
NWSW/Riverfront	\$ 225,000
Scheid Storm Sewer	\$ 539,000
Scheid Detention Basin	\$ 458,000
Total	\$ 3,727,000
2024 Projects	
Duis Center Detention Basin	\$ 225,000
Street Sweeper	\$ 250,000
Douglas/Steelton Storm Sewer & Basin	\$ 1,217,000
Lynn/6th Phase 2 Basin	\$ 491,000
North Side Phase 1 Storm Sewer	\$ 1,471,000
Total	\$ 3,654,000
2034 Projects	
North Side Phase 2 Storm Sewer	\$ 1,235,000
North Side Phase 3 Storm Sewer	\$ 1,228,000
Platt Park Storm Sewer & Basin	\$ 534,000
Lincolnway Culvert Removal	\$ 164,000
Ave F/21st St Detention Basin	\$ 531,000
Total	\$ 3,692,000

Projects phased into 3 separate 10year bond issuances, repaid through a utility

Even with a dedicated funding stream (no pun intended), it will take 30 years to complete and pay for these projects!

When will these projects be completed without a funding source or with just \$50,000 a year from the General Fund?

Stormwater Utility

- ERU = Equivalent Runoff Unit (established by average residential size)
- Larger properties would pay more, but also contribute more to stormwater discharge
- Previously proposed \$3/ERU rate as recommended by our engineers combined with our existing wastewater sewer bill would still be less than the wastewater bill alone from surrounding communities for all residents and most businesses.
 - Every 10cents adds ~\$15,000/year to revenues
- A \$0.50/ERU rate may cover the cost of Thomas Park dredging and allow for some smaller future projects or to begin accumulating funds for larger projects

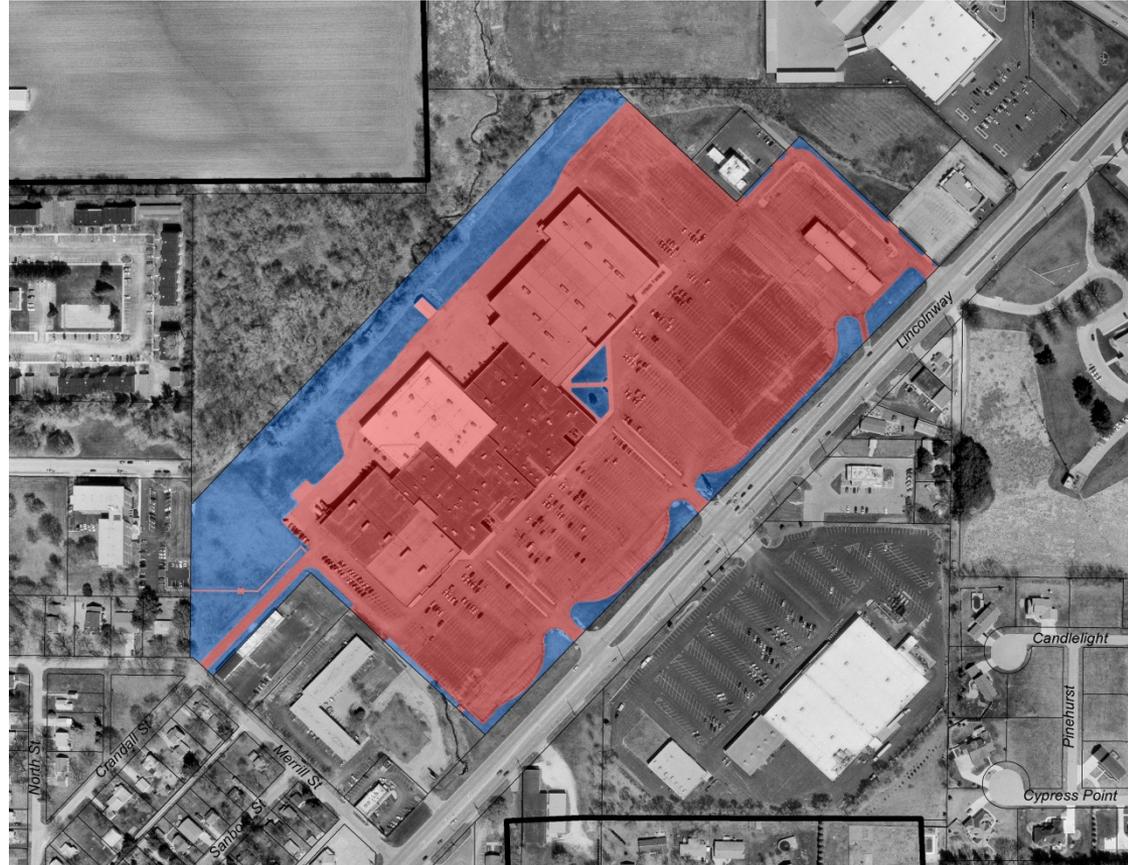
Northland

- Parcel Area = 1,549,222 sf
- Impervious Area = 1,218,333 sf
- ERUs = 406.1
- Monthly Fee
 - @ \$3/ERU - \$1,218
 - @ \$0.50/ERU - \$203
- Annual Fee
 - @ \$3/ERU - \$14,620
 - @ \$0.50/ERU - \$2,437



Farm & Fleet

- Parcel Area = 560,991 sf
- Impervious Area = 320,467 sf
- ERUs = 106.8
- Monthly Fee
 - @ \$3/ERU - \$320
 - @ \$0.50/ERU - \$53
- Annual Fee
 - @ \$3/ERU - \$3,846
 - @ \$0.50/ERU - \$641



Goodwill/Aaron's (RKH Properties)

- Parcel Area = 269,229 sf
- Impervious Area = 265,435 sf
- ERUs = 88.5
- Monthly Fee
 - @ \$3/ERU - \$266
 - @ \$0.50/ERU - \$44
- Annual Fee
 - @ \$3/ERU - \$3,186
 - @ \$0.50/ERU - \$531



McDonalds

- Parcel Area = 56,688 sf
- Impervious Area = 38,892 sf
- ERUs = 13
- Monthly Fee
 - @ \$3/ERU - \$39
 - @ \$0.50/ERU - \$7
- Annual Fee
 - @ \$3/ERU - \$467
 - @ \$0.50/ERU - \$78



Wilco

- Parcel Area = 47,720 sf
- Impervious Area = 37,045 sf
- ERUs = 12.3
- Monthly Fee
 - @ \$3/ERU - \$37
 - @ \$0.50/ERU - \$6
- Annual Fee
 - @ \$3/mo. - \$445
 - @ \$0.50/mo. - \$74



Potential Stormwater Utility Credit for On-site Stormwater Management Facilities

Example: Wal-Mart

- 25% Maximum Credit for Water Quality
- 25% Maximum Credit for Water Quantity (Flood Control)

249.5 ERUs



Assuming Entire Parcel is Served by Wet Basins Providing Both a Water Quality and Quantity Benefit:

<u>At \$3</u>
Fee Without Credit = \$36.00 x 249.5 ERU's = \$9,232/Year
Fee With Credit = \$36.00 x 249.5 ERU's x 50% = \$4,616/Year

<u>At \$0.50</u>
Fee Without Credit = \$6.00 x 249.5 ERU's = \$1,497/Year
Fee With Credit = \$6.00 x 249.5 ERU's x 50% = \$749/Year

Stormwater Utility – Other Projects

- Assistance for removing/rerouting illegal hookups to the sanitary system
- Illegal inflow testing and compliance followups

We are focusing on reducing inflow and infiltration to keep maintain our EPA permitting at wastewater plant without enduring extra costs there, or without forcing us to make costly changes to the plant sooner!

Stormwater Utility – Funding

\$3 per ERU fee

- Breaking the project into 3 phases, 10 years each
- Sterling could get a 2.5-2.6% 10 year bond, repayable by the utility
 - \$3,800,000 (net) bond @2.6% for 10 years = \$447,000 annual payment
 - \$3 fee estimated to bring in \$465,000 before credits and delinquent payments

\$0.50 per ERU fee

- We could fund the first phase over 50 years averaging one project every 7 years
- No bond (too long to repay and too much revenue lost to interest even funding fewer projects)
- Fund Thomas Park Dredging for FY 13-14

The engineer's have identified \$11,000,000 in stormwater projects

Timeline

- March 18 – Council/Study Session?
- March 21 - Publish Hearing notice in newspaper
- April 1 - Public Hearing
- April 15 – Budget Passage

Remaining Funds

- NWSW Redevelopment
- Rock River TIF
- Capital Fund
- Library Fund
- NSP 2



Council Comments