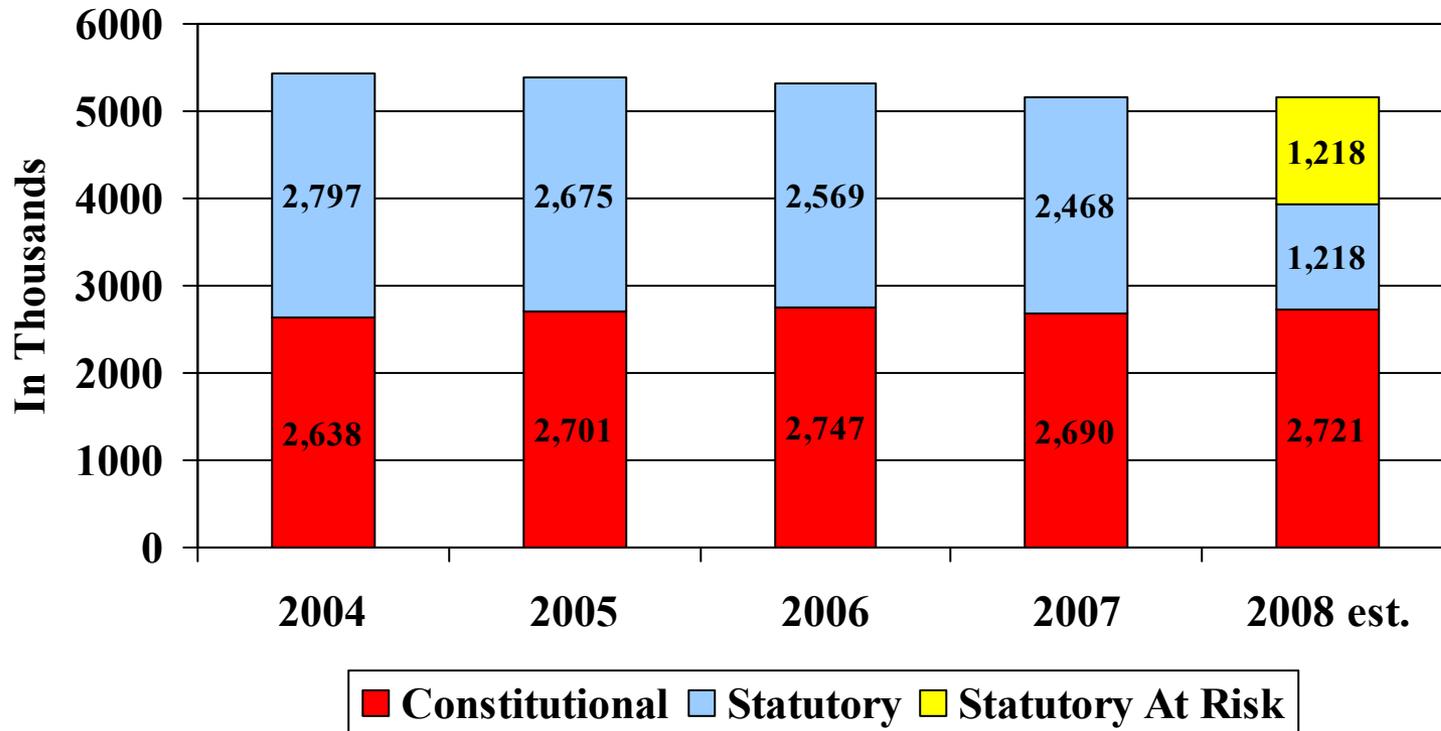




City of Lincoln Park

Graph Presentation

City of Lincoln Park State Shared Revenue



Constitutional is the only portion guaranteed.

The Statutory portion is at risk when the counties enter back into the formula. In 2004 when counties came out of formula, they were receiving \$182 million. Total Statutory today is less than \$400 million in total, so about ½ would go to counties.

Cumulative decrease from 2004 - \$731,000

City of Lincoln Park

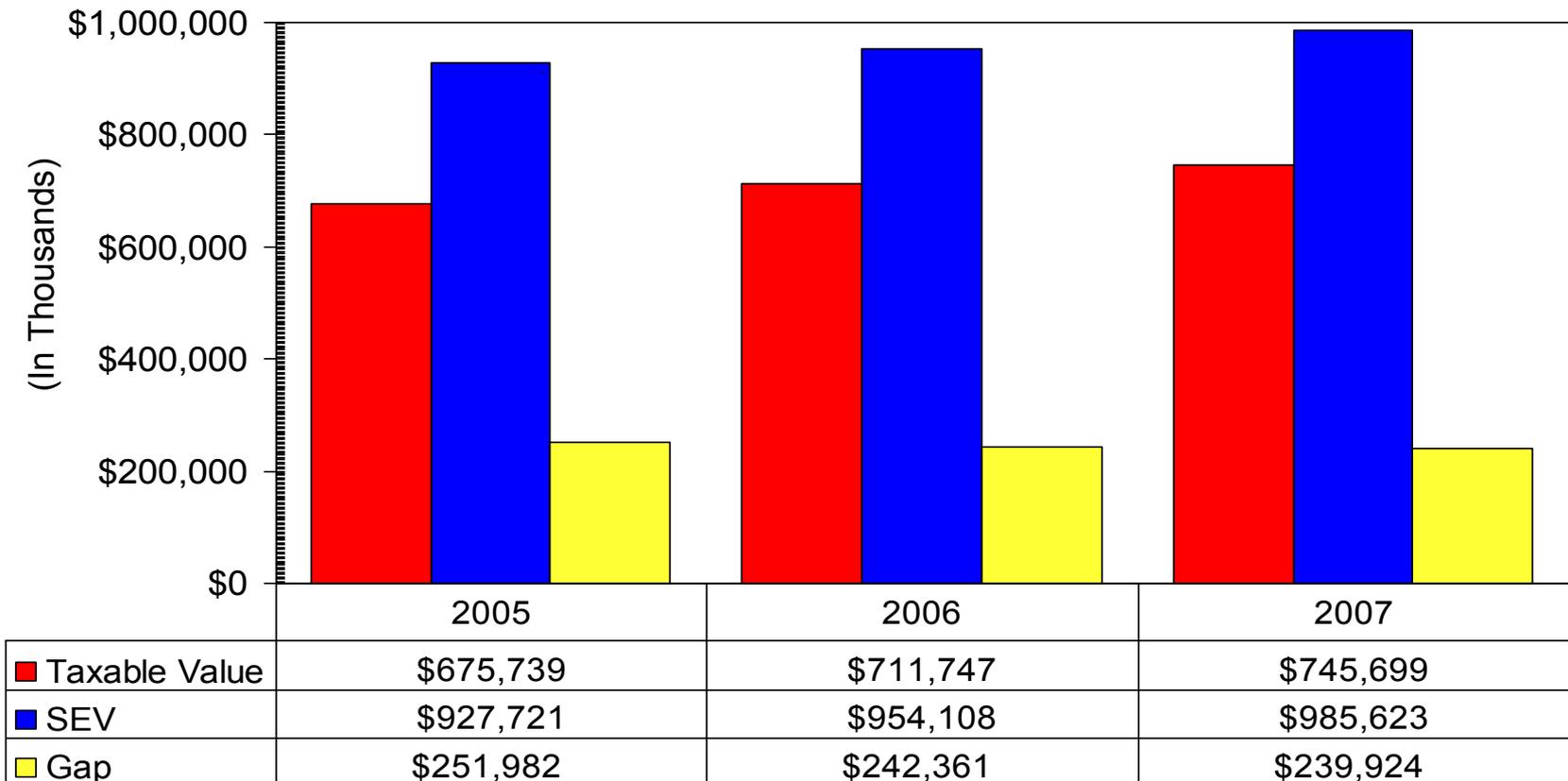
Property Taxes

- **Following the Headlee Amendment (1978) and before Proposal A (1994):**
 - Existing property values were increasing less than the rate of inflation
 - A “roll up” in the maximum authorized millage rate (limited to the original authorized millage rate) was allowed
- **Legislation following Proposal A (1994):**
 - Elimination of this self-correcting mechanism (roll-ups) creates an almost permanent reduction of the millage authority
 - It’s “PERMANENT” (absent a Headlee override vote)
 - Treating uncapped values as growth on existing property + limiting individual property taxable value growth to the rate of inflation = double reduct
- **As a result, millage capacity is being effectively eliminated**
 - Lincoln Park is currently levying at its Headlee maximum authorized millage rate for operations. A Headlee override vote is necessary to increase millage authority.
- **New levies**
 - The new millage for Police and Fire (3.4591 mills) and the Library (.35 mills) are only in effect for 3 years.
 - These new levies will raise approximately \$2.75 million annually for Police and Fire and \$275,000 annually for the Library

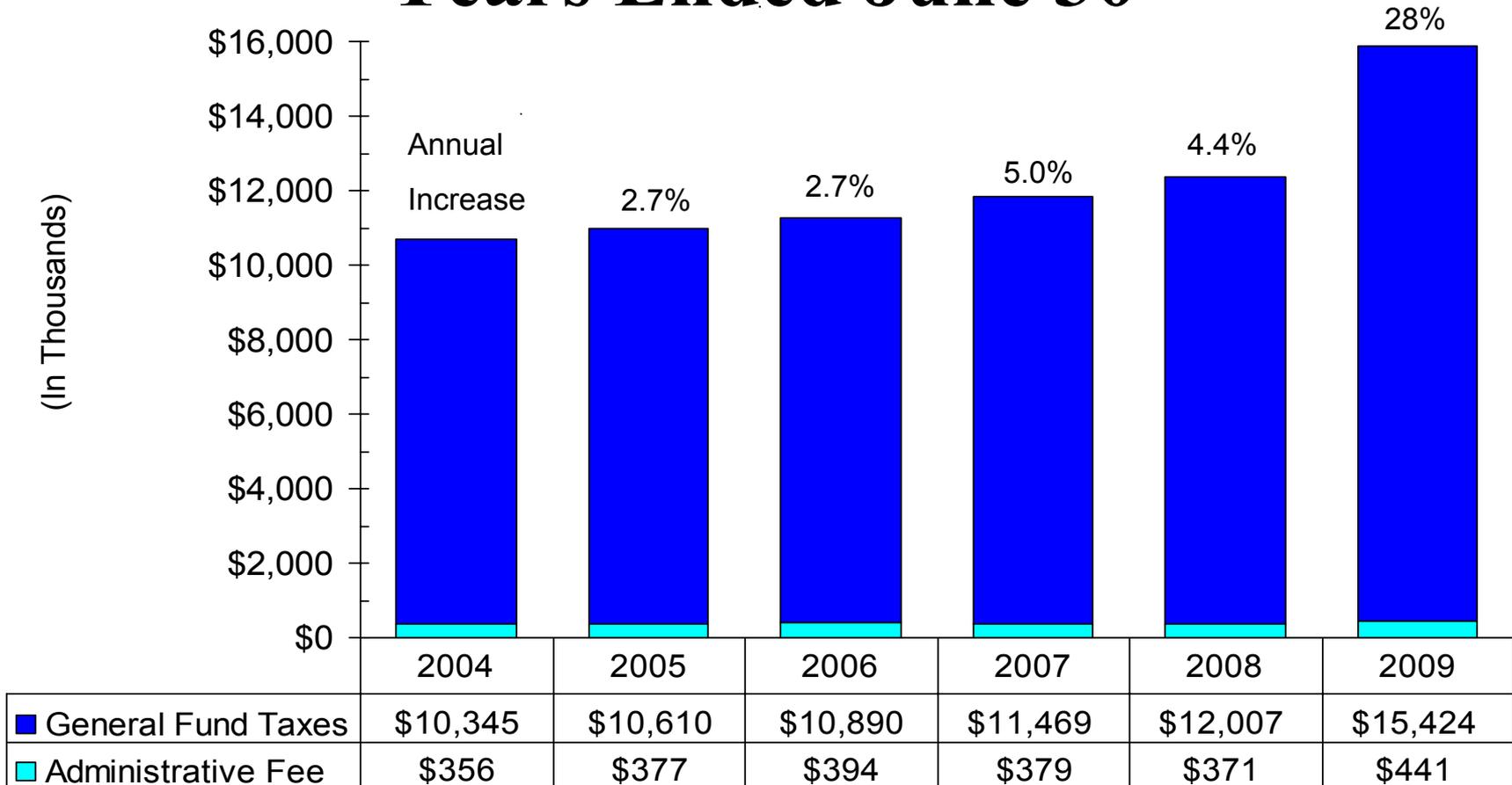
City of Lincoln Park

Taxable Value vs. SEV

Assessment Date December 31



City of Lincoln Park Property Tax Revenue Years Ended June 30



City of Lincoln Park
DDA Capture of General Fund Property Taxes

Year	DDA Capture
2005	\$162,824
2006	\$192,021
2007	\$199,251
2008	\$251,758
2009	\$255,535

City of Lincoln Park General Fund Administrative Chargebacks

Fund	FY06/07 Chargebacks	Comparable Communities	Capacity for additional chargebacks?
Major and Local Streets	\$71,428	Maximum allowable per State Law is 10% - ~\$230,000 in FY 2007	Yes
EDC	\$5,000	Depends on the activity - \$500 - \$150,000	Yes
DDA	\$15,000	Depends on the activity - \$500 - \$150,000	Yes
Water & Sewer	\$198,884	\$171,000 - \$350,000	Yes
Motor Pool and IT	\$0	N/A	Yes

City of Lincoln Park

07/08 Budgeted Wages by Department

Department	City Council	City Clerk	Assessor	City Management	Finance
Full-Time Personnel	0	3	1	4	4
07/08 Budgeted Wages	\$0	\$136,558	\$38,125	\$240,238	\$179,565
Part-Time Personnel	7	0	1	0	0
07/08 Budgeted Wages	\$63,000	\$0	\$34,000	\$0	\$0

City of Lincoln Park

07/08 Budgeted Wages by Dept. (continued)

Department	Treasurer	Comm. Develop.	Building	Police	Fire
Full-Time Personnel	3	2	7	57	33
07/08 Budgeted Wages	\$122,163	\$84,038	\$299,943	\$2,998,695	\$1,873,310
Part-Time Personnel	1	1	0	10	0
07/08 Budgeted Wages	\$9,000	\$30,456	\$0	\$83,495	\$0

City of Lincoln Park

07/08 Budgeted Wages by Dept. (continued)

Department	Recreation	DPS- General Fund	Overtime	Total
Full-Time Personnel	1	11		123
07/08 Budgeted Wages	\$38,125	\$490,660	\$516,900	\$7,018,322
Part-Time Personnel	47	12		78
07/08 Budgeted Wages	\$468,018	\$187,200		\$875,169

City of Lincoln Park

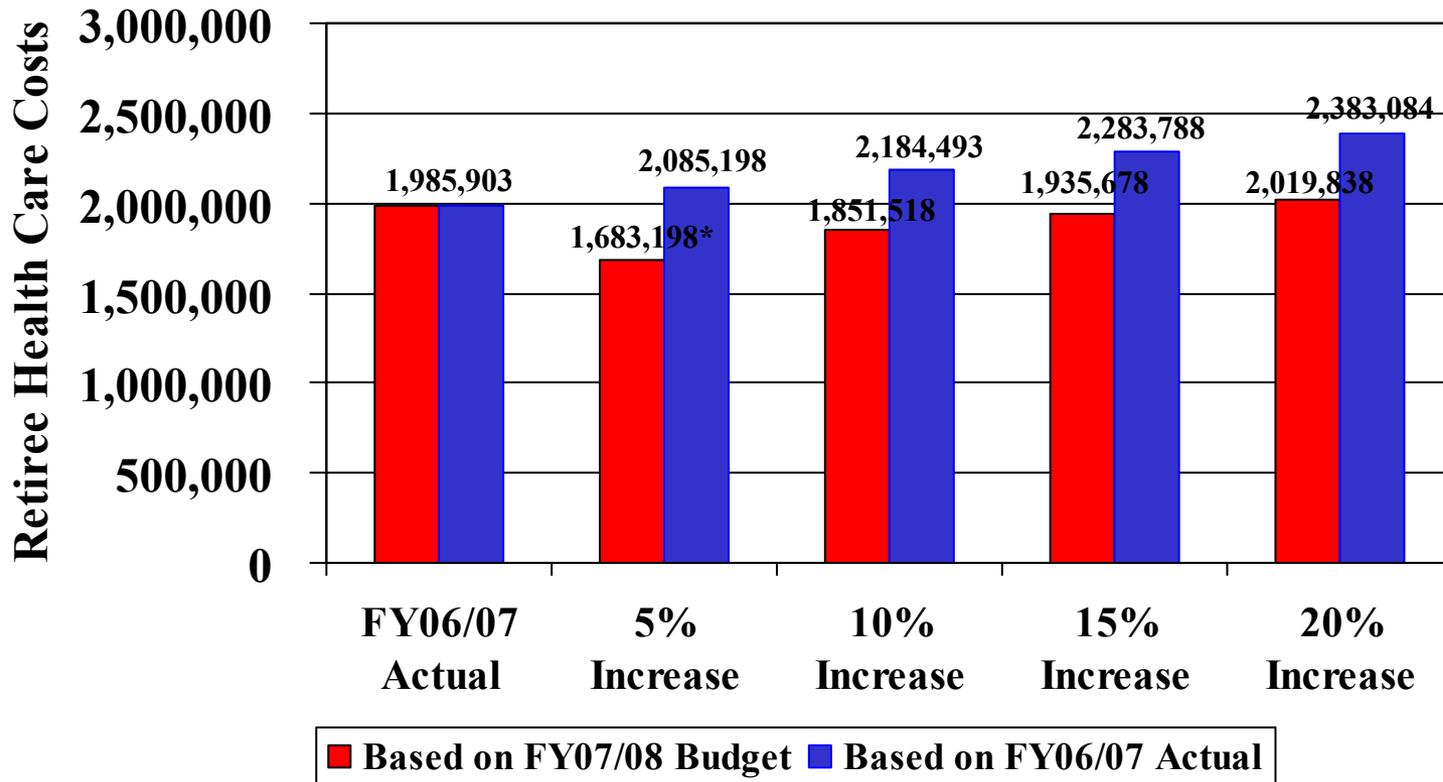
Impact of Wage Increases on 2008-2009 Expenditures

	Budgeted 07/08 Wages	08/09	09/10	10/11
1% increase	\$8,459,844	\$8,544,442	\$8,629,887	\$8,716,186
1.5% increase	\$8,459,844	\$8,586,742	\$8,715,543	\$8,846,276
2% increase	\$8,459,844	\$8,629,041	\$8,801,622	\$8,977,654
2.5% increase	\$8,459,844	\$8,671,340	\$8,888,124	\$9,110,327

Does not include community center expenses.

City of Lincoln Park

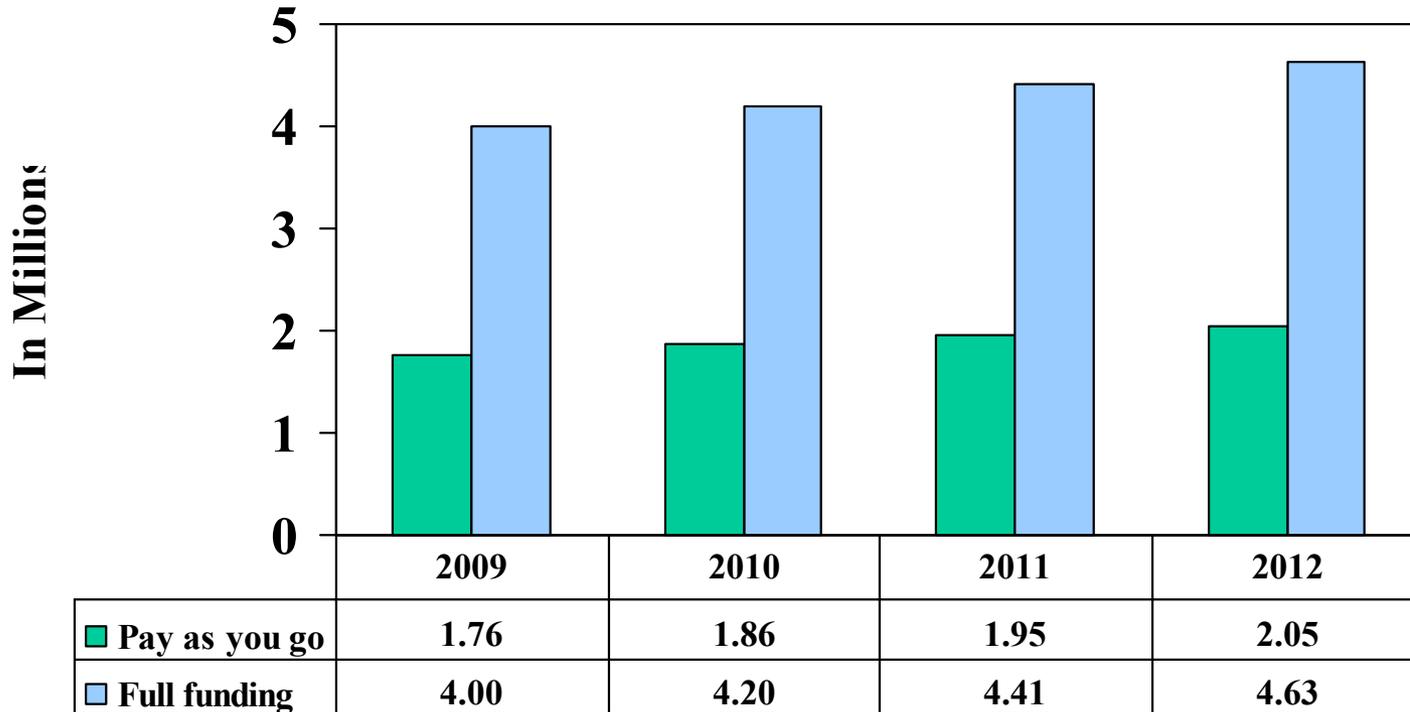
Retiree Health Care Trends



- FY07/08 budget for retiree health care was lower than FY06/07 actual.
- Projections in red are based on FY07/08 budget and then increases in 5% increments.
- Projections in blue are based on FY06/07 actual and then increases in 5% increments

City of Lincoln Park Retiree Health Care Year Ended June 30

Full Funding vs. Pay As You Go



Full funding is based on an estimate of GASB 43 and 45 pre-funding.

City of Lincoln Park

Annual Required Pension Contributions

	Municipal Employees	Police & Fire Employees
2001	\$892,000	\$551,000
2002	\$841,000	\$631,000
2003	\$833,000	\$683,000
2004	\$905,000	\$834,000
2005	\$937,000	\$928,000
2006	\$1,068,000	\$1,316,000
2007	\$1,486,000	\$1,819,000
2008	\$1,530,580	\$2,131,000

This table shows a history of the annual required contributions for the Police & Fire and Municipal Employee's Retirement Systems.

City of Lincoln Park

Other Expenditures

Description	2008-2009 Estimated
District Court	\$1,442,845
Equipment Rental	852,131
Utilities	849,728
Insurance and Claims	637,084
Library	402,194
Contracted Services	358,802
Prisoner Expense	347,729
Professional Fees	249,888

Other Expenditures (continued)

Supplies	190,169	2.89%
Sidewalks	184,704	2.80%
Maintenance	171,351	2.60%
Termination Benefits	159,970	2.43%
Miscellaneous	146,085	2.22%
Uniform, Clothing & Food Allowance	138,647	2.11%
Janitorial	135,476	2.06%
Gun Allowance, DRANO and other Pub Safety	94,259	1.43%
Labor Negotiations, Grievance, etc	76,705	1.17%

Other Expenditures (continued)

Memberships, dues and training	60,927	.93%
Advertising	47,720	.72%
Recreation and Sr. Citizens	25,897	.39%
Dog Pound	11,111	.17%
Travel	8,064	.12%
Cell Phone/Pager	5,896	.08%
Total	6,587,382	100%

City of Lincoln Park

Sanitation Fund

FY05/06:

Revenue	\$1,793,318
Expenditures	\$1,910,266
Transfer from General Fund	\$117,100

FY06/07:

Revenue	\$1,897,857
Expenditures	\$1,905,002
Transfer from General Fund	\$6,993

FY07/08 Budget indicates that Sanitation Fund will not require a transfer from the General Fund.

City of Lincoln Park

Court Revenue and Costs

	<u>FY06/07</u> <u>Actual</u>	<u>FY07/08</u> <u>Projected</u>	<u>FY08/09</u> <u>Projected</u>
Revenue	\$1,530,603	\$1,540,998	\$1,587,228*
Expenditures	<u>\$1,197,498</u>	<u>\$1,411,786</u>	<u>\$1,438,609**</u>
Excess Revenue over Expenditures	\$333,105	\$129,212	\$148,619

*Court Revenues are based on FY07/08 budget amounts plus 3% inflation

**Court Expenditures were projected based on an inflationary increase of 1.9% per year

City of Lincoln Park

Building Department Shortfall

**Cumulative Building Dept.
Shortfall (as of 6/30/07):** (\$624,536)

FY07/08 Budgeted Revenues: \$479,850
FY07/08 Budgeted Expenditures: (\$531,142)

**Budgeted Cumulative Shortfall
(as of 6/30/08):** (\$675,828)

**Building Dept. is budgeted for a shortfall of \$51,292
in FY07/08**

City of Lincoln Park

Five Year Fund Balance Projection

Year	2007-2008 (Budget)	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Beginning Fund Balance	\$2,705,253	\$2,501,942	\$3,483,546	\$3,935,627	\$4,501,948	\$1,910,291
Projected Revenue	\$23,243,434	\$25,525,764	\$25,847,459	\$26,174,572	\$23,254,897	\$23,544,343
Projected Expenditures	\$23,446,745	\$24,544,160	\$25,395,379	\$25,608,251	\$25,846,553	\$26,584,981
Ending Fund Balance	\$2,501,942	\$3,483,546	\$3,935,627	\$4,501,948	\$1,910,291	(\$1,130,346)