

Public Works-Water Division

Mission Statement

The City of Rockford Water Division is committed to providing a safe and reliable supply of high quality potable water that meets or exceeds federal and state health standards to its consumers and ensures public safety to the community.

Primary Functions → The Water Division is comprised of three operating sections and Administration. The Division is responsible for production, quality control, storage, distribution, and related services to approximately 52,000 water customers.

- **Production** → The production section is responsible for overseeing the operation of the water system wells/booster pumps, chemical feed treatment equipment, water quality control, and facility maintenance.
- **Distribution** → The distribution section oversees the maintenance, repair, and replacement of water mains and associated service branches, valves, and fire hydrants.
- **Customer Service** → The customer service section is primarily responsible for responding to customer concerns regarding water accounts, following through on meter readings, installation/replacement of water meters, and responding to service calls.
- **Administration** → The administrative unit is responsible for all division administration, fiscal control, system planning, service contract administration, and payroll.

2004 Accomplishments →

- Delivered over 8.6 billion gallons of water in compliance with State and Federal regulations.
- Developed and conducted an enhanced water main flushing program to improve water quality system-wide.
- Implemented chemical dosage optimization program to improve effectiveness of water treatment processes.
- Conducted radionuclide source-control pilot study to evaluate cost effective alternatives for meeting new water quality regulations.
- Enhanced the security of the water system with high-security locks for all major facilities, computer system modifications, and an uninterruptible power supply for production-control facilities.
- Established a high-pressure zone to improve water system pressure in the western portion of the City and conducted engineering studies necessary to expand the zone.
- Published sixth annual edition of the “Consumers Water Quality Report”, which is a requirement established by the Safe Drinking Water Act of 1996.

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- Received the award for Perfect Compliance with State Mandated Supplemental Fluoride program from the Illinois Department of Public Health for the nineteenth straight year.
- Continued progress (year 4 of 7) toward completion of automatic meter reading program.

2005 Goals and Objectives →

- Implement Hydrant Use and Metering Program to improve revenue collection associated with water sales through hydrants.
- Implement Energy Conservation and Management Program to reduce energy consumption costs.
- Implement Distribution System Operator Program and training to improve efficiency and effectiveness of maintenance and repair operations.
- Continue to assess all water operations, implementing service-level measurement and improvement programs where appropriate.
- Continue to develop Asset Management and Maintenance Programs with Engineering Services Division.
- Implement work safety program in conjunction with Street Division.

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Budget Summary

PUBLIC WORKS WATER DIVISION BUDGET SUMMARY					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$4,366,001	\$5,020,523	\$4,589,088	\$5,218,798	\$198,275
CONTRACTUAL	3,457,497	3,578,313	3,062,774	3,890,005	311,692
SUPPLIES	1,440,679	1,789,180	1,581,647	1,754,775	(34,405)
OTHER	3,730,212	3,773,734	3,808,659	3,820,304	46,570
INTEREST	<u>1,179,547</u>	<u>1,131,000</u>	<u>1,092,484</u>	<u>1,092,333</u>	<u>(38,667)</u>
TOTAL	<u>\$14,173,936</u>	<u>\$15,292,750</u>	<u>\$14,134,652</u>	<u>\$15,776,215</u>	<u>\$483,465</u>
STAFFING REVIEW					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	INCREASE (DECREASE)
OPERATIONS	69.50	71.50	71.50	70.50	(1.00)
FIXED ASSETS	4.00	4.00	4.00	4.00	0.00
TOTAL	<u>73.50</u>	<u>75.50</u>	<u>75.50</u>	<u>74.50</u>	<u>(1.00)</u>
FUNDING SOURCE					
	2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>	
WATER USER FEES	\$16,905,000	93.2	\$17,295,000	94.9	
INSTALLATIONS & CONNECTIONS	551,000	3.0	551,000	3.0	
INTEREST INCOME	500,000	2.8	200,000	1.1	
FROM OTHER GOVERNMENTS	120,000	0.7	90,000	0.5	
MISCELLANEOUS	5,000	0.0	5,000	0.0	
PURCHASE OF SERVICES	<u>57,600</u>	<u>0.3</u>	<u>84,700</u>	<u>0.5</u>	
TOTAL	<u>\$18,138,600</u>	<u>100.0</u>	<u>\$18,225,700</u>	<u>100.0</u>	

Budget Analysis

The 2005 budget of \$15,776,216 is a \$483,500 (3.2%) increase from the 2004 budget. Personnel costs increased \$198,300. Salaries increased \$106,200 due to annual wage adjustments, and health insurance costs increased \$53,200 due to an increase in premiums. Personnel changes include the elimination of one water meter reader and one water service inspector, and the addition of one customer service supervisor. The eliminations were made possible by efficiencies created by the radio frequency replacement program, while the new supervisor will be responsible for managing the large meter program. IMRF contributions increased \$37,700 and overtime rose \$20,000 to accommodate actual needs. Temporary pay was reduced by \$18,500 to reflect actual usage.

Contractual services increased \$311,700 in 2005. This is primarily due to an increase in internal service charges and service contracts. Information service charges increased \$36,600. Service contracts increased \$158,100 due primarily to increases in well maintenance and reconstruction and curb cut repairs. Risk management costs increased \$23,400 and building rental increased \$15,200.

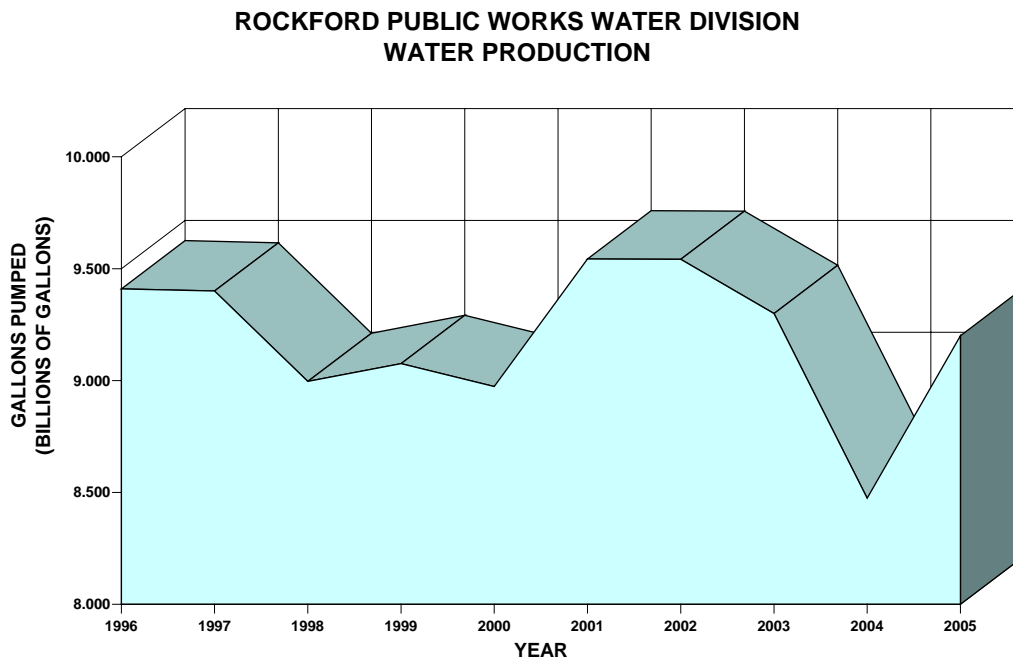
Supplies decreased \$34,400 primarily due to a reduction in water supplies (\$35,900). This reduction is due to a sufficient stock of water supplies, eliminating the need to purchase in 2005.

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Other expenses increased \$46,600 for 2005. The general fund purchase of services increased \$66,200, amortization expenses increased \$11,600, while depreciation declined \$31,200 and GO bond issue costs reduce \$38,700.

In 2004, the Water Division spent \$14,134,652, or 92.4% of the budgeted allocation.

Information and Statistics



SOURCE: WATER DIVISION

As the graph above shows, water production has fluctuated somewhat in the last ten years. Since 1995, when gallons pumped was at 9.681 billion, production has decreased 5.0%, to an estimated 9.200 in 2004. The average production for the past seven years is 9.240 billion, which is more than expected 2005 production. Weather conditions, particularly annual rainfall, impact water usage in the City.

Five Year Financial Forecast

The 2006-2010 five year forecast assumes annual three percent rate increases with consumption rising three-quarters of one percent each year. Expenses for this forecast range from five to six percent.

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WATER FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$18,875	\$19,555	\$20,259	\$20,988	\$21,744
Expenses	<u>16,565</u>	<u>17,393</u>	<u>18,263</u>	<u>19,176</u>	<u>20,135</u>
Excess (Deficit)	<u>2,310</u>	<u>2,162</u>	<u>1,996</u>	<u>1,812</u>	<u>1,609</u>
Beginning Balance	<u>70,580</u>	<u>72,890</u>	<u>75,052</u>	<u>77,048</u>	<u>78,860</u>
Ending Balance	<u>\$72,890</u>	<u>\$75,052</u>	<u>\$77,048</u>	<u>\$78,860</u>	<u>\$80,469</u>
Bond Issues	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
Rate Increases	3.0%	3.0%	3.0%	3.0%	3.0%

With water capital needs continuing for replacement and expansion of the existing system, annual bond issues are planned through 2010.

Fixed Assets

The 2005 budget of \$204,500 for fixed assets includes a variety of items scheduled for maintenance or improvement. Building improvements total \$43,000 and include upgrades at several facilities. Vehicle and operating equipment accounts total \$161,500 for trucks and safety equipment.

FIXED ASSETS PUBLIC WORKS WATER DIVISION 2005 BUDGET			
<u>DESCRIPTION</u>	<u>COST CENTER</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
Variable Frequency Drives (2)	3501	79922	\$30,000
Chlorine cylinder closer			12,500
1 ton Pickup			26,000
U.W. # 19 Roof repair & replacement	3502	79911	12,000
U.W. # 3 Roof repair & replacement			6,000
U.W. # 6 Roof repair & replacement			5,000
Vacuuming & potholing system	3510	79922	30,000
1/2 ton Pickup			18,000
1-1/2 ton Flatbed Truck			45,000
Electrical system upgrades-Cedar St.	3526	79911	10,000
Carpeting and desks - S. end of Cedar St			10,000
			<u>\$68,500</u>
			<u>\$23,000</u>
			<u>\$93,000</u>
			<u>\$20,000</u>
			<u>\$204,500</u>
TOTAL CURRENT FIXED ASSETS			\$204,500

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Personnel Review

PUBLIC WORKS WATER DIVISION						
SALARIES	POSITION RANGE	2004 BUDGET		2005 BUDGET		EMPLOYEE CHANGE
		DOLLARS BUDGETED	NUMBER OF EMPLOYEES	DOLLARS BUDGETED	NUMBER OF EMPLOYEES	
WATER SUPERINTENDENT	E-12	\$71,838	1.00	74,076	1.00	0.00
ASSISTANT SUPERINTENDENT	E-9	145,473	2.00	147,120	2.00	0.00
CUSTOMER SERVICE MANAGER	E-8	68,333	1.00	70,461	1.00	0.00
WATER CONSTRUCTION SUPERVISOR	E-7	123,062	2.00	127,061	2.00	0.00
WATER PLANT OP. & MAINT.SUPERVISOR	E-8	58,745	1.00	60,571	1.00	0.00
WATER SYSTEMS & SCADA SUPERVISOR	E-8	58,872	1.00	61,017	1.00	0.00
WATER QUALITY SUPERVISOR	E-8	41,603	1.00	42,898	1.00	0.00
ACCOUNTANT	E-6	46,193	1.00	47,990	1.00	0.00
CUSTOMER SERVICE SUPERVISOR	E-7	55,777	1.00	109,406	2.00	1.00
WATER ENGINEERING SUPERVISOR	E-6	56,225	1.00	57,835	1.00	0.00
WATER QUALITY TECHNICIAN	E-5	46,129	1.00	33,134	1.00	0.00
SENIOR ENGINEERING TECHNICIAN	E-6	41,688	1.00	42,772	1.00	0.00
ENGINEERING TECHNICIAN	E-5	107,327	3.00	110,154	3.00	0.00
INSPECTION OFFICER	CD-26	46,321	1.00	41,371	1.00	0.00
PUBLIC WORKS CREW LEADER	A-28	248,353	5.00	260,530	5.00	0.00
WATER PLANT OPERATOR	A-28	488,040	10.00	502,291	10.00	0.00
WATER SERVICE INSPECTOR	A-26	422,038	10.00	416,985	9.00	(1.00)
MAINTENANCE SPECIALIST	A-26	44,096	1.00	46,490	1.00	0.00
EQUIPMENT OPERATOR	A-23	238,131	6.00	240,075	6.00	0.00
SENIOR ACCOUNT CLERK	A-21	36,565	1.00	38,267	1.00	0.00
MAINTENANCE WORKER	A-20	334,605	11.00	365,752	11.00	0.00
SENIOR SECRETARY	A-20	35,157	1.00	36,765	1.00	0.00
SENIOR CLERK	A-19	240,467	7.50	246,022	7.50	0.00
WATER METER READER	A-18	154,781	5.00	137,012	4.00	(1.00)
TEMPORARY		56,848		38,304		
OVERTIME		320,500		340,500		
MERIT PAY		18,425		18,658		
SEVERANCE PAY		0		0		
SALARY ADJUSTMENTS		0		0		
SALARY SAVINGS		0		0		
	SUBTOTAL	<u>3,605,592</u>	<u>75.50</u>	<u>3,713,517</u>	<u>74.50</u>	<u>(1.00)</u>
BENEFITS						
ILLINOIS MUNICIPAL RETIREMENT		576,761		614,485		
UNEMPLOYMENT TAX		0		4,023		
WORKER'S COMPENSATION		79,527		59,456		
HEALTH INSURANCE		753,759		806,949		
RETIREE HEALTH INSURANCE		0		16,000		
LIFE INSURANCE		564		768		
PARKING		<u>4,320</u>		<u>3,600</u>		
	SUBTOTAL	<u>1,414,931</u>		<u>1,505,281</u>		
	TOTAL	<u>\$5,020,523</u>	<u>75.50</u>	<u>\$5,218,798</u>	<u>74.50</u>	

Performance Measures

	2002 Actual	2003 Actual	2004 Actual	2005 Projected
Annual water production (billion gallons)	9.54	9.30	8.48	9.20
Hydrants replaced or installed	49	47	60	60
Services replaced or installed	50	48	58	60
Valves replaced or installed	33	68	55	60
Number of radio frequency meters installed	6,777	6,429	6,800	52,340
Number of customer meters	52,085	52,237	52,270	52,340
Radio frequency meters as a % of total	41.2%	53.4%	66.3%	79.2%