

**“STATE OF THE COUNTY-2005”**  
**by**  
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**WINNEBAGO COUNTY BOARD CHAIRMAN**  
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Thank-you Gary Peters and the Chamber staff. I also want to recognize again the Rockford Area Association of Realtors, sponsors of this event. Certainly your organization has been a frontline of our economic efforts and we appreciate you very much. Also, OSF Health Systems and Riverside Community Bank, I want to thank you as well.

Before I get started, I also want to recognize some people here, I do feel that the state of Winnebago County is proactive, is positive and is on the move. I want to recognize County Board Members who have supported us in these efforts. Please stand for just a minute. You were mentioned earlier however, the County Board members that are here, would you please stand and be recognized. I also want to recognize our county elected and appointed officials; elected and appointed officials from our municipalities; and all of our state officials who are currently in Springfield.

I also want to take this opportunity to recognize Mayor Doug Scott, someone who I have worked with for the past 10 months, and certainly appreciate his many years of service and his commitment to Rockford. So please acknowledge Mayor Scott and his hard work.

Also want to recognize a member of the community who is responsible for the economic development efforts in our community, who is leaving us. I want to recognize Bob Levin. Bob, please stand. He is another individual who helped redefine economic development.

Looking back over the last 10 months, I am proud of the many accomplishments in Winnebago County government...board members, elected officials, and appointed officials. The highest profile item is a balanced budget. We were able to balance our budget, which included a considerable deficit, with the lowest property tax rate in 5 years. Passed an \$80 million (CIP) Capital Improvement Program for infrastructure, specifically for road and sewer, and this was done with existing funds, alternate bonds, partnerships, so there was no tax increase involved in that investment.

In our Administration Building, in Human Resources, with Jim Kelly, we finally entered this century in county government in the hiring of Sheila Hill as our EEO compliance officer. I believe she is here today. Please stand. We're looking at creating an overall environment of diversity with our County workforce and outside contracts. I'm sure all of you in the business community are familiar with Critical Skills Analysis. We are working through Human Resources and Administration towards efficiency in all departments. This will be a two-year program.

The Recorder's Office, with Ken Staaf, has accomplished e-filing for faster recording; and the scanning of Plats into WinGIS for public viewing and faster retrieval.

Our CIS Department with Craig Danekas along with many of our county departments have created a one-stop shopping for permits called the (CAPS Program) Centralized Agency Permitting System. Mr. Vanderwerff, our County Engineer has actually received an award for the CAPS Program, which has now been adopted by the State of Illinois.

Supervisor of Assessments – Bev Champion has spearheaded the effort to offer property record information for Cherry Valley, Harlem, Rockton, and Roscoe Townships to realtors and appraisers. My thanks to Rockford Area Association of Realtors. Computerization of all Winnebago County farmland data with WinGIS, allows public access. Very soon all property including commercial and industrial will be available in a similar format.

Burnie Turner Director of WinGIS and his staff have worked hard on their website, which can be reached via the Internet at [www.wingis.org](http://www.wingis.org). Free access provides basic information to everyone who has access to the Internet. There is also a subscription-based access, which offers much, much more detailed information. WinGIS can be used to improve the quality of products, streamline processes, and improve services. For example: Land Use & Urban Growth Planning; Economic Development Planning; Infrastructure Management; Crime Tracking and Law Enforcement Planning; Emergency Management; and Environmental Monitoring all issues that WinGIS has been instrumental. I would encourage you to check out that technology. It is excellent.

Our Health Department is actually one of only 11 in the country to be certified as fully meeting the national criteria for Bioterrorism preparedness. They recently celebrated their 150<sup>th</sup> anniversary; and they also have a new website. Many of those items that require a permit from the Health Department, are now available on line.

Our Criminal Justice System, led by Judge Kathryn Zenoff, Circuit Clerk Marc Gasparini, States Attorney Paul Logli, and Public Defender Karen Sorenson. We have a host of things going on there. You can be very proud of the Criminal Justice System in this County. The Mental Health Court has now come to fruition, which was a community-wide task force. About 15% of our jail population has been estimated as having mental illness and this will allow us to get 50-60 of those folks out of the incarcerated area and into the community for treatment. The recent vacancy of Associate Judge Robert Coplan has been filled with the selection of Fernando Engelsma and the recall of Justice Dan Doyle has allowed more time to hear felony and domestic violence cases. There is a proposal now before the County Board of a GAP Study which is to go through the business practices of the whole criminal justice system. The Sheriff, States Attorney, Chief Judge, Circuit Clerk and the County Board office is looking to enhance efficiencies throughout that system. And of course the drug court has been expanded in this past year. This is a very, very productive and effective program.

Adult and Juvenile Probation have been a number one agency to oversee the alternative programs that have been instituted; and they are monitoring those programs and will give this information directly to the Crime Commission as well as the County Board.

The Justice Center project with Gary Burdett our Project Manager, Sally Claassen our Purchasing Director and Sheriff Meyers. The Justice Center has been a monumental task. We are now estimating it at \$138 million. We have bids coming into the County Board on April 14, 2005, to consider. The bids have been through committee, several things we are rebidding, and we worked, to use the term "value engineering", to get some of these costs down as much as possible. The good news is we are on target; revenue from the 1-cent sales tax is coming in above what's anticipated so there will be no impact other than the immediate cost of construction. We will still be able to pay these off in a 20-year cycle. That whole process will be on line, you will be able to go on line and check the progress of the construction as it continues.

In the area of Economic Development, Sue Mroz our Director and Joe Vanderwerff from our Highway Department have developed a true partnership. The "Build Winnebago County Partnership" is an \$80 million dollar initiative that the Board approved last summer. \$23 million of which is in the form of partner contributions, the rest is in alternate bonds and is in existing funds. We are partnered up with Rock River Water Reclamation District; \$20 million of this is in sewer. And this is all going to be done within the next 3 to 4 years. I think its important the airport and the County have recently partnered, I must tell you that our function with the Reclamation District is not near as glamorous as bringing an airline to town, however, sewer is very important. Those were recently "let", and we are finally getting trunk sewer line out to the airport. That certainly stands the best chance for immediate economic return, and the County wants to continue to partner in that effort. Also, Baxter Road is another concern of ours and we are upgrading that up to 120,000 pound capacity, which will bring additional truck traffic to and from the Rochelle intermodal hub. I-39 from Baxter Road is easy access to the airport. The road surface upgrade will reduce the number of trucks a company will need for an amount of outgoing product. Companies that would normally send three trucks will now send two trucks for the same shipment. That 1/3 savings on freight cost will drop directly to the bottom line.

We are working with Mayor Lindberg with the East Riverside area, east of I-90. This area is the home of the River Hawks; Rockford Health Systems has a major development plan there. The YMCA has a plan there as well. Also, 1400 homes are under a planned development in that area. This is a very unique partnership, in which we have the property owners and developers participating over time in taking care of the infrastructure....roads, sewers, utilities, etc. This is a real partnership from every sense of the word, and there will be more to come on that very soon.

Next we will discuss our rail initiative. We in the County have supported, by Resolution, the nickname NICRI...Northern Illinois Commuter Rail Initiative study; and also have spent a considerable amount of time over the last 10-12 months looking at freight alternatives. There are five lines that run from Rockford to Chicago and this has a

tremendous potential. Many folks that I have spoken with in the community, support the initiative, which was actually started by Mayor Brereton of Belvidere. We are also looking at a route that would be conducive to freight, that would actually connect downtown Rockford to the airport and down to Rochelle and the intermodal hub. We will someday look at, what was described in 1993 as a transportation hub actually in the southeast area of our airport, which would consist of air, rail, and trucking. The perfect place for it is a terminal close to the tracks. We are excited about this and hope to have news on this initiative within the next couple of months.

The I-39 corridor, we have joined as part of our partnerships. The I-39 Corridor is actually an organization. This has absolutely got tremendous potential for us. Sue Mroz and I have been out to I-39 and Baxter Road on several occasions meeting with interested parties for development. Of the seven major interstate highways accessible within that corridor, six intersect I-39. I-80, I-88, I-55, I-90, I-74 and I-43....all with less congestion. As far as rail access along that I-39 corridor, all major transcontinental rail systems converge in the Chicago area and seven of them provide access within this corridor.

The Northern Illinois Technology Triangle is a joint venture between Rochelle Municipal Utilities (RMU) and the Illinois Municipal Broadband Communications Association (IMBCA). It will provide a looped broadband fiber network in triangle along I-88 from Rock Falls to Naperville, with a section north to St. Charles, and from St. Charles along I-90 to Rockford, and then along I-39 from Rockford to Rochelle. This could literally set this triangle up as another Silicon Valley. The network ring is based upon fiber optic cable and will offer 33 (or more) wavelengths, each with the capacity to carry data at a rate up to 40 Gigabits per second. With just one Gigabit connection, a family can download their favorite DVD movie in less than one (1) minute, something that would normally take 13 days to download using a telephone dial-up connection.

Another program that has been initiated during the last ten months is the Blue Train. This is an economic development effort between the City of Rockford, Loves Park, Machesney Park, and also the State of Illinois is represented. They meet regularly every three weeks and discuss various criteria. The Rockford Area Economic Development Council is represented as well.

Regarding Quality of Life issues, our Forest Preserve District led by Tom Kalousek has been working on land acquisition and has a defined ultimate goal of 6,500 acres. Last year they acquired 565 acres. Other quality of life projects include Southeast path to Cherry Valley, Perryville Path, Pecatonica Path, which covers about 28 miles from the Burgess site in Freeport to Liberty Park in Rockford, ultimately connecting to the Grand Illinois Trail.

Relative to initiatives, there are a few things I would like to announce today. Looking to the future, the first of the initiatives is Win-CART.... Winnebago County Action Response Team. This is a community based policing and prosecution system sponsored by the County Board, Sheriff's Department, and the States Attorney's office. We have identified one phone number. This will be a non-emergency number. One phone call

will provide easy access to all essential county services. We will promote this number throughout the community. For truancy, Win-CART can also be of benefit. We have an officer in each quadrant of the County to deal specifically with issues of this nature.

The number one historical County building in downtown Rockford is Veteran's Memorial Hall. I am announcing an initiative today called "Raise the Flag". As you may know, that was the 1<sup>st</sup> Memorial Hall to Veterans in this Country, dedicated by President Theodore Roosevelt in 1903. Beginning on Memorial Day, 2005 and culminating on Veteran's Day, November 11, 2005, with a special celebration, we are going to proceed with a fundraiser to "Raise The Flag For Memorial Hall". The goal of this program is to raise a minimum of \$250,000. 10% of that has already been committed. All monies collected will be placed in the Memorial Hall Fund and will be used for operations, upkeep, displays showcasing veterans' memorabilia, and employee funding as well. The fundraiser will include participation by the business community and also will have a *Veterans For Memorial Hall* membership program. One of the first on board is Lorden Distributors and they will distribute 2,000 loose, change containers throughout the County this summer. We are looking at radio-thons; and are asking for as much community participation as possible. This will enable us to move our part-time curator into a full-time position and have the facility open full time. We are hopeful we can team-up with Midway Village and do some joint events there and really use Memorial Hall.

I have talked with Mayor-elect, Larry Morrissey and congratulate him. I am looking forward to working with the Mayor and forming a working partnership. I am calling for an Economic Summit, consisting of the City and the County. This will consist of board members and aldermen, where we can talk about those issues that effect all of the Rockford area. We want to be involved in dealing with problems facing Rockford. Community policing will be a good place to start our dialogue. Other areas are building and zoning, public works, and overall economic development. We know that education and economic development are inseparable, so we also need to include the superintendents of our schools in our area. I would like to propose that we do meet on a regular basis so that we can understand exactly what function County government can play relative to education; and please understand, I would never remotely consider myself qualified to be a superintendent of schools, however, there are things we do in County government that I think could help especially in the truancy area. Dr. Thompson has asked us to consider helping fund the alternative school that has been proposed and that is something we will take up at the board level very soon.

We are updating our 2020 Plan. There is major growth of the cities in our County. Things like balanced growth, greenways, smart growth, these are all in the works now, and we have money set aside in our Capital Improvement Plan to update it. Again, this is something that we have been working on with the City of Rockford and other cities in the County, so that there is a consistent working plan for developers to use. They will have a better understanding of where we are looking for green space, industrial development, commercial, and residential. This will be a very strong tool for economic development.

My continual goal is to reduce the reliance on the property taxes. I do commend Senator Burzynski, who just this week, has made attempts to reformulate educational funding. In regard to the business climate in Illinois, the big three still remain: (1) workman's compensation---unemployment insurance; (2) malpractice---which is not only driving the doctors out of here but is also skyrocketing health care costs; (3) excessive fees on business. I was encouraged recently to hear both republicans and democrats discussing these issues in the current General Assembly session. However, in order to see real reform, we need leadership. There are many of these issues we can't address locally. We can lift them up as an issue and do the lobbying from this end, ultimately it has to come from reforms out of Springfield.

A final initiative I want to talk about revolves around fuel prices because that's another issue that has certainly affected our business climate. "A new CNN/*USA Today*/Gallup survey finds that higher gas prices are taking their toll on American consumers. Almost 6 in 10 say the higher prices are causing a hardship, the highest number on this measure in the past six years. Fifteen percent say the hardship is "serious." More than a third of Americans have cut back significantly on spending because of the higher prices, and about half have cut back significantly on the amount of driving they do. Lower-income Americans feel especially hard hit".

With motor fuel prices at historic highs and no relief in sight, I am asking the County Board to repeal the Counties 1% sales tax on motor fuel for a 6-month period. I further urged the State of Illinois to repeal or lower its sales tax on motor fuel. The States sales tax alone has risen by over 60% over the last 12 months.

The purpose of the County repeal is two fold. The first is to give consumers in Winnebago County some much-needed relief of record high gas prices. These increasing gas prices are hurting seniors, those on fixed incomes, and frankly all taxpayers to some degree.

Secondly these high prices are having a negative effect on our local businesses. Many of our businesses that are currently struggling to stay afloat are affected greatly by these higher fuel costs, which cut directly into their bottom line. Couple that with the Governor doubling the tolls and the cost of transportation, this State becomes not only the highest in the Midwest but unfortunately becomes one of the highest in the Country.

Ironically, one of the businesses hardest hit by these high motor fuel prices is our local petroleum businesses.

The petroleum businesses in Winnebago County employ hundreds of people. And this business particularly suffers from the way the sales tax structure is designed. We are somewhat unique in the way we tax motor fuel, which is charging a sales tax on top of the flat motor fuel tax already in place by the State and Federal Government. What this translates into is taxes that increase as the price of fuel goes up. Therefore, the consumer gets a double hit, one by higher gas prices, and a second hit by increased taxes on the higher fuel price.

At the current price of gasoline, the tax per gallon has almost doubled in the last 12 months. With the current cost of Diesel fuel around \$2.30 a gallon the **tax** would have increased **by over .05 cents a gallon** just in the last 6 months. What this has led to is a tax that puts Winnebago County and Illinois approximately .04 cents a gallon higher than Wisconsin and significantly higher than that in Indiana.

With today's sophisticated computer fuel tracking systems the transportation industry knows to the penny what fuel prices are at any given moment of time. With Illinois' fuel prices higher than Wisconsin, Indiana and our other surrounding States, truckers are filling up in Wisconsin or Indiana and driving right through Illinois including Winnebago County and filling up in the next State or are driving around our State. This leads to a number of losses to the State and our County.

1. Loss of gas tax dollars
2. Loss of sales tax dollars
3. Loss of ancillary sales i.e. food, cigarettes, Lottery Tickets
4. Loss of Federal motor fuel matching dollars (MFT)
5. Loss of local State motor fuel dollars for road construction
6. Loss of jobs of those who work in the petroleum market

It is crucial that we maintain competitive fuel prices. Failure to do so will ultimately lead to fewer tax dollars for local Government. It is for that reason I feel it is important that we lower this tax. In the end, I believe that by lowering this tax we will end up not only helping the consumer but also end up generating more jobs and dollars for our road programs. I have discussed this matter with Senator Syverson at length and he intends to submit a similar proposal in the Illinois Senate.

In conclusion, although we have covered a lot of ground today, I call tell you there are many, many other issues that the County deals with on a daily basis, through our 1,300 employees. I am very proud of the employees at the County, and the last 10 months the staff I've had a chance to work with are committed. You can rest assured that County government is in good hands. These folks who have been there for a number of years, and they continue to work hard.

**The State of our County is progressive, proactive and on the move.**

Let me close with something that I have carried with me for over 30 years. It is the *Possibility Thinkers Creed*. As we move into a new era, of new leadership in our community, this was written by Dr. Robert Schuler, and states, "when faced with a mountain, we will not quit, we will climb over, we will tunnel through, or we will simply face the mountain and turn it into a gold mine with God's help."

Thank-you.