TABLE OF CONTENTS

Lawrence J. Morrissey
Mayor
Office of the Mayor

April, 2016

Dear Citizens of the City of Rockford:

On behalf of the Rockford City Council and our dedicated staff, I am proud to present the 2016 City of Rockford Budget. Our 2016 Budget demonstrates our goal of providing the best value and best service to our residents, our businesses, and our visitors.

Our 2016 Budget continues our focus on two major themes: public safety and capital investment. Our public safety investment represents the largest portion of our budget. Through responsible fiscal management, our 2016 Budget maintains our police force at 290 sworn officers. In addition, construction of our three police district stations will commence, increasing our focus on community-oriented policing. Under the leadership of our new Police Chief, Daniel O'Shea, we will continue public safety partnerships with other local, state, and federal partners.

Thanks to the support of our citizens who approved another five-year extension to our local public infrastructure sales tax, we can also continue our historic levels of capital investment into our community, with significant investment in roads and bridges, stormwater and water systems. Our public capital investment is helping to drive significant private sector investment throughout the City, including major residential and commercial developments downtown and projects like the $40 million AAR Maintenance & Repair facility at the Greater Rockford Airport/Rockford Global Tradepark.

Despite continued economic challenges, our City Council has guided and approved historic levels of investment in public safety and infrastructure. As a consequence, we have been able to maintain and not raise our property tax levy for the third consecutive year. Nevertheless, we will continue to deal with the challenging environment of declining property tax values which, unfortunately, drives up the property tax rate.

My administration will continue to work with the City Council and our community partners and citizens to pursue our vision of *Excellence Everywhere for Everyone*. As we work on our day-to-day operations, as well as the City's long range plans, we appreciate the support of our citizens and community-wide efforts such as *Transform Rockford*. We look forward to hearing from you this year as we strive to do together what we cannot do alone. Thank you for your support.

Very truly yours,

Lawrence J. Morrissey
Mayor, City of Rockford, Illinois

LJM/ss

City of Rockford, Illinois USA

425 East State Street Rockford, Illinois 61104-1068 USA
(779) 348-7150 phone (815) 967-6952 fax **www.rockfordil.gov**

BUDGET TIMELINE
THE 2016 PROCESS

March 2015	Finance Department prepares preliminary budget estimates and discusses budget policies for the forthcoming year with the Mayor.
August 2015	Finance Department determines budgetary allocations. Departments receive budget packages.
August 2015	Departments complete and return budget packages to Finance Department for review.
September 2015	Public Works Department begins work on updating the five-year Capital Improvement Program.
September 2015	Finance Department reviews Department budgets and prepares a budget draft.
September 2015	Mayor’s Office reviews budget and presents budget to Council.
September – December 2015	Finance Committee and Council, as Committee of Whole, hold budget hearings with City Departments. Budget discussions held throughout the following months during Finance Committee regular meetings.
December 21, 2015	Council holds State Budget Act public hearing for citizen input.
January 25, 2016	Finance Committee approves budget and submits to Council (Committee Report).
February 1, 2016	Appropriation Ordinance and 2016 Budget Committee report adopted by Council.
February 2016	Mayor submits 2016-2020 Capital Improvements Program to Council for Committee review and approval.
March 7, 2016	Council adopts 2016-2020 Capital Improvements Program.

Lawrence J. Morrissey
Mayor

Executive Summary

The planning for the 2016 budget began with a retreat for elected officials and department heads in September. Elected officials were updated regularly on the status of the City's finances, specifically in regards to elastic revenues. The budget was prepared with the goals of maintaining staffing and service levels. With the above principles, we were able to strategically prioritize resources and approve a balanced budget.

Issues and Priorities in 2016

The services provided by the City are made possible by the resources entrusted to it by the citizens and businesses of Rockford. Elected officials and City staff are dedicated to using these resources to provide the community with the most efficient and effective services possible. The budget details how resources will be used to maintain and enhance the quality of existing services. Several principles have been established to guide the City during the budget process, including:

- Planning for the future, setting long-term goals, and providing a sense of direction to the community.
- Providing economic development efforts in order to retain and expand jobs and investment in the community.
- Renovating and improving City infrastructure to meet the needs and encouraging development of the commercial, industrial, and residential areas within the City.
- Providing efficient and effective City services with the resources allocated by the community.
- Actively search for additional sources of revenue to help fund the redevelopment of neighborhoods in the City of Rockford.

City officials use these objectives to guide their internal organizational decision making process. However, officials must also consider opportunities and challenges presented by the external environment during the development of the budget. Some of the issues the City will focus on in the forthcoming budget year include:

- Improving the quality of life for residents of the City's older neighborhoods.
- Investing in the downtown area and encouraging others to develop commercial and residential projects.
- Assessing City services for efficiency and possible cost saving measures.
- Continuing investments in information technology to provide improvements in the effectiveness and efficiency of City services.

Lawrence J. Morrissey
Mayor

- Maintaining the City's solid financial condition.
- Maintaining a stable tax rate.
- Making incremental service adjustments to reflect changing community needs.
- Adjusting to possible reductions in shared State funds.

Challenges for the Community

While the national economy is showing signs of recovery, the local economic environment and the impact it has on the City's available revenue continues to present a challenge. The City must continue to carefully balance its priorities in order to maintain the quality of services and public infrastructure. Further stagnation in revenues will require the City to reassess the services it provides and make adjustments to maintain a balanced budget.

Financial challenges in upcoming years include fully funding capital equipment as part of the City's annual budget. The 2011 and 2012 budgets required capital equipment purchases due to equipment reaching its life expectancy. The City Council approved a vehicle leasing policy that will implement the replacement of vehicles over a four-year period for all City departments to meet the needs of the aging fleet. The vehicle leasing policy was amended to extend the vehicle replacement out an additional two years in early 2014 and extended an additional two years for 2015. The vehicle leasing policy was suspended for 2016 due to budget constraints.

The 2016 General Fund

The City of Rockford, like many other communities in Illinois and across the United States, has seen moderate growth in its sales, use, income, and replacement taxes, commonly referred to as elastic revenues. These revenue sources increased an estimated $3.2 million, or about 6.7%, in 2015.

The 2016 budget process began with the City projecting a $3.2 million deficit. A status-quo budget was presented in September followed by recommendations to reduce the deficit to work towards a balanced budget that would be approved by the end of 2015. The local economic environment and the impact it has on the City's available revenue continues to present a challenge.

2016 contractual and supplies expenses are the largest increase in the budget, due to necessary repairs and maintenance, as well as increasing internal service costs.

2016 fringe benefit costs make up the second largest increases in the budget, due to planned reductions in 2015 to address the budget deficit.

The City Council passed the 2016 budget in February 2016. This budget allows the City to maintain the necessary fund and cash balances as well as allowing the 2017 budget process to begin on a sound financial footing.

425 East State Street Rockford, Illinois 61104-1068 USA
779-348-7300 800-380-7175 **www.rockfordil.gov**

Lawrence J. Morrissey
Mayor

Overview of the 2016 Budget

The City of Rockford is similar to many municipalities because it has limited resources to devote to the various challenges facing it. However, because Rockford is a non-home rule municipality, we have fewer options than all other cities in Illinois of any size. This was particularly apparent when preparing the budget for 2016. Resource constraints forced City officials to assess the external environment and utilize the budget development principles described above to prioritize among competing needs. The overall goal of this budget is to maintain existing services; however, City officials prioritized several projects to address the issues discussed above. Consistent with a maintenance budget, many of these priorities are a continuation of initiatives from previous years.

The Community Development Department will manage the many TIF districts the City has and their associated development projects. The Construction and Development Services Division continues to address violation of ordinances, zoning regulations, and public safety concerns and will manage a significant volume of demolition activity in 2016.

The Human Services Department continues to support programs from other areas of the City, including Drug Free, Shelter Care, Head Start and Supportive Housing.

The Police Department will address continued efforts towards geographic community policing programs, using crime data to better deploy resources and respond to potential problems while continuing to reduce overtime costs. The transition to three police stations will begin in 2016.

The Fire Department will continue to maintain certifications and accreditation requirements and expand public education activities.

The Legal Department will be the lead department in labor negotiations, code enforcement, annexation efforts, and City projects.

The Public Works Department will be aggressive in repairing and improving bridges and roads in the City, addressing forestry needs, and maintaining the city-wide vehicle leasing program.

Financial Summary

With the 2016 budget, the City was able to continue its goal of maintaining a stable operating property tax rate for citizens with declining debt service rate as a result of the 1% infrastructure sales tax referendum. The 2016 budget adopted a property tax rate of $3.595.

In addition to financing capital improvements through sales tax revenues, the City will continue to utilize dedicated revenue streams for specific purpose projects. Examples of these projects include sanitary sewers, parking facilities, and water improvements. This allows the City to maintain a competitive tax rate, while capturing contributions from those in the community who live outside of the City but use its resources on a regular basis. Dedicated revenue streams also ensure that users pay for the services they receive.

425 East State Street Rockford, Illinois 61104-1068 USA
779-348-7300 800-380-7175 **www.rockfordil.gov**

Lawrence J. Morrissey
Mayor

Operational Highlights

The City's service provision efforts are divided into five program areas including Legislative and Management, Community Development, Human Services, Public Safety, and Public Works. Each of these areas encompasses multiple departments performing specialized activities that collectively compose the functions associated with the program area.

The Legislative and Management departments provide policy direction and administrative services for the rest of the municipal organization. The departments in this area will be engaged in many projects to enhance the operational effectiveness and efficiency of the City. The Mayor's Office will continue to provide leadership and direction to City staff and policy makers. The Legal Department will be the lead department in labor negotiations, code enforcement, annexation efforts, acquisition of properties for construction projects, and City projects. The Finance Department will continue to manage the customer service center and manage the City's budget.

Several activities and projects will be occurring in the Community Development program area. The department will assist in the development of a comprehensive economic development strategy for the City and Winnebago County.

The City's Human Services Department will remain an important resource to City residents in the coming year. The Head Start program serves approximately 760 children in four different programs which include home base schooling, part day classes, students in full day classes, and family plus.

There are a variety of programs that provide assistance to economically disadvantaged families. The energy program focuses on replacing furnaces, cleaning and tuning older systems, and repairs to electrical, plumbing, and roofing. The department operates the energy assistance program that assists low-income families and individuals with their heating bills. Housing assistance, neighborhood outreach, and self-sufficiency training continue to be important programs within the Human Services Department to assist low-income neighborhoods and the City's homeless population.

Public Safety services provided by the City include police and fire protection. The Police Department is utilizing their new records management system to better analyze crime data and allocate resources. The Fire Department continues to upgrade equipment and train its firefighters to better serve the citizens of Rockford, adjusting to revised manning levels awarded in arbitration in 2013. The City is maintaining an Insurance Services Organization (ISO) fire protection rating of two, which places the City in the top one percent of the nation. A lower rating benefits residents and businesses through better rates for fire insurance.

The Public Works Department will remain proactive in meeting the needs of our citizens through the planned maintenance of our roads, right of ways, and public assets. The department will continue to implement a Capital Improvements program which will focus on improving our infrastructure through the investment and leverage of the 1% sales tax.

Conclusion

Lawrence J. Morrissey
Mayor

On February 1, 2016 the City Council adopted the 2016 budget after the Finance and Personnel Committee had finished its review of the proposal. This budget is the result of considerable, careful discussion and deliberation by the City Council, the Finance and Personnel Committee, the Finance Department, and various staff members from every department who contributed to the development of departmental budget requests.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Rockford

Illinois

For the Fiscal Year Beginning

January 1, 2015

Jeffrey R. Esser

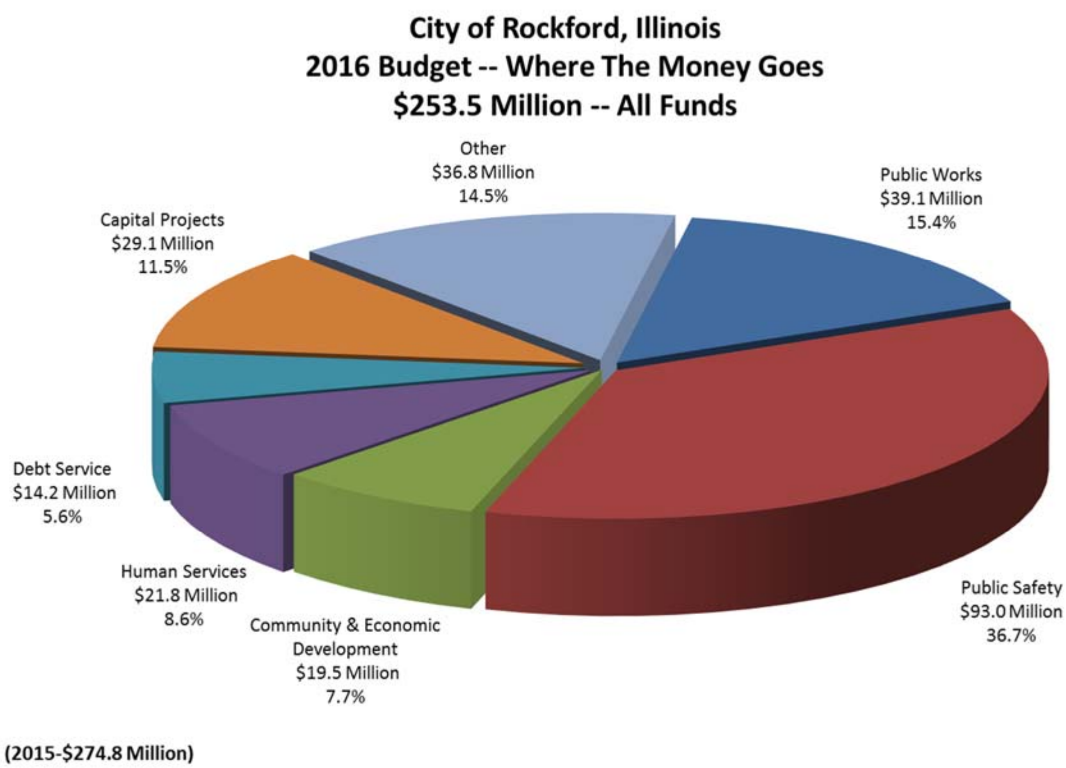
Executive Director

CITIZEN'S BUDGET HIGHLIGHTS

The City's goal in developing the 2016 budget was to continue offering citizens basic services, economic development efforts, a continuing capital improvements program, and fiscal stability. Development and adoption of this budget was premised on maintaining a level of service equivalent to 2015, making incremental improvements where possible, and continuing to comply with the limitations of the Property Tax Extension Limitation Law (Tax caps).

PROGRAM EXPENDITURES

The budget appropriation in 2016 is $253.5 million for all funds, a decrease of $21.3 million from the 2015 appropriation of $274.8 million. Major program changes for 2016 include:



Community Development's appropriation decreases $470,200 due to reductions in demolitions and property acquisitions and a decrease in health insurance rates which is offset by a 2% wage increase.

Public Safety's appropriation decreases $147,800. Decreases are due to no planned capital vehicle purchases in 2016 offset by an increase in pension contribution expenses.

Human Services' appropriation decreases $1.7 million from 2015. Decreases for Human Services are due to Human Services department's contractual and other expenses reduction due to expected decrease in grant funding levels at the time of preparing the budget.

The Public Works budget increases $893,500 from the previous year's budget. Increases are due to a budgeted 2% wage increase, an increase in contracted repair costs for the Water Division and increases in internal service charges. Decreases are due to no planned vehicle purchases in 2016 and a decrease in health insurance rates.

The budget for Debt Service increases $365,800 from 2015 to 2016 which includes lease payment costs.

The Capital Projects Fund budget for 2016 decreased $24.4 million from the previous year. Projects in 2016 include beginning reconstruction of the Harrison Avenue corridor and completion of the Downtown Sports Complex and South Main Street reconstruction.

In the Other category, the increase of $4.2 million is due to increases in permanent salaries, police and fire pension benefit payments and risk management contractual costs. These increases are offset by a decrease in health insurance rates and a decrease in transfer to CIP due to decreased project costs for storm water improvements.

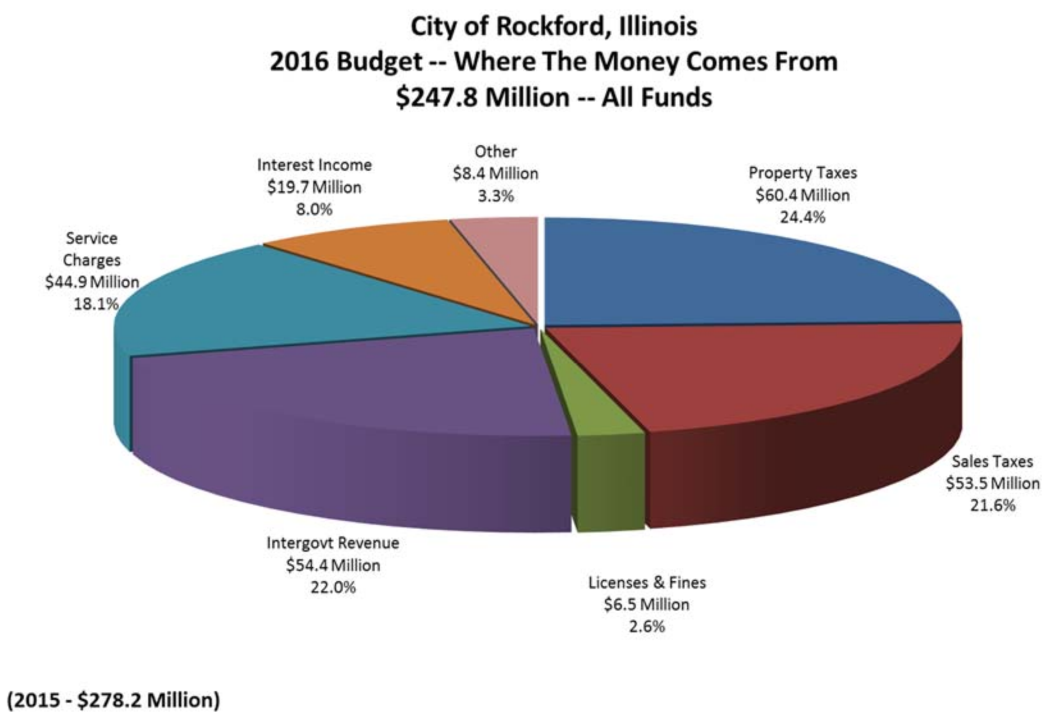
REVENUES

For 2016, the revenue budget is $247.8 million for all funds, a decrease of $30.4 million from 2015's $278.2 million.

The 2016 revenue budget emphasizes:

- A stable property tax levy.
- Continued emphasis on user fees including systematically updating the rates to keep pace with costs.
- Ongoing efforts to aggressively capture federal and state revenues.

Major revenue changes for 2016 include:



Intergovernmental revenues from federal, state, and local governments are projected to decrease $25.6 million from 2015.

Service charges increased $2.6 million from the 2015 total of $42.2 million.

Interest income is projected to decrease $4.0 million.

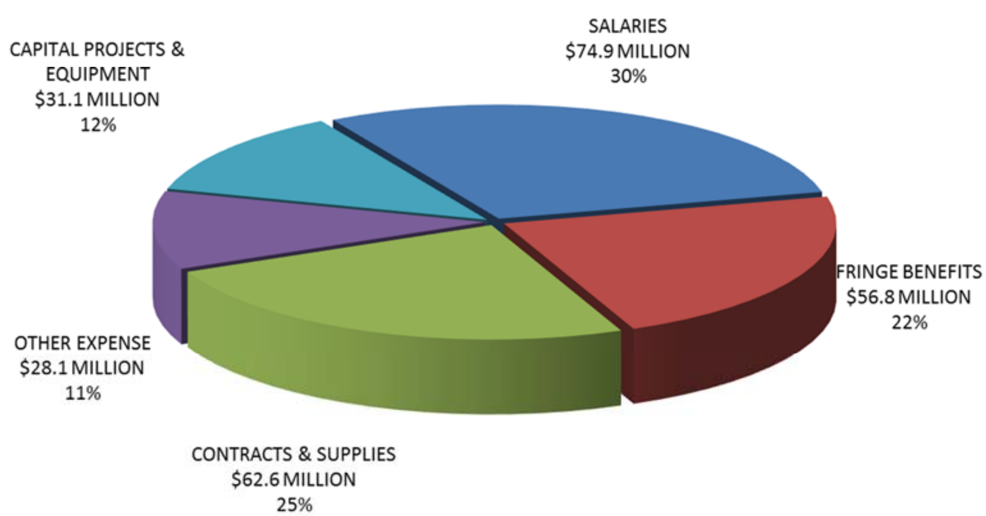
Other income is projected to decrease $5.6 million.

ACCOUNT EXPENDITURES

The 2016 City Budget, when viewed from a line item rather than a program perspective, illustrates the fact that over sixty-five percent of the budget is attributable to personnel and infrastructure improvements. This reflects the fact that the City is a labor intensive service organization with 1,072 employees and has a considerable investment in streets, bridges, buildings, and water and sewer systems that must be maintained and renewed.

Major spending changes by account type for 2016 are:

City of Rockford, Illinois
2016 Budget -- $253.5 Million
All Funds Combined By Account Classification



(2015-$274.8 MILLION)

Salaries increased $887,000 as a result of contract increases and a 2% wage increase.

Fringe benefits increased $2.2 million as a direct result of increased salaries and an increase in police and fire pension contributions.

Contractual and supply accounts increased $3.3 million. Slight increases across various departments contributed to this increase as well as an increase in internal service charges.

Capital projects and equipment decrease $25.7 million from the 2015 budget, with decreases for funding vehicle purchases under the City's vehicle leasing program. Projects in 2016 include beginning reconstruction of the Harrison Avenue corridor and completion of the Downtown Sports Complex and South Main Street reconstruction.

COUNCIL CHANGES TO THE BUDGET

The Council received the budget in September 2015 and referred it to the Finance Committee. The proposed budget was modified by the City Council to avoid an increase in the property tax levy, transfer funds from the sanitation fund and capital fund, an adjustment to the fee schedule and make various reductions in departmental budgets. The Committee, after holding budget hearings with departments, approved the budget on February 1, 2016.

WHAT THE 2016 BUDGET WILL COST THE TAXPAYER

The 2016 budget continues stability for the Rockford homeowner. For a homeowner with a $100,000 home, the rate and cost for 2011 – 2015 are shown below.

Property Tax Bill (City Portion Only)
For Home With $100,000 Market Value
2011-2015 Levy Years

Year	Rate	Bill
2011	2.52	689
2012	2.82	770
2013	3.08	842
2014	3.29	899
2015	3.36	918

While the rates are increasing for 2016, the increase is a reflection of decreasing equalized assessed valuations (EAV). The levies, as always under non-home rule tax rates and the property tax extension limitation law (tax caps), are limited as to increases. As EAV decreases, the tax rates rise to maintain the status quo.

The City continues to use and to selectively adjust user fees so that those who use certain services pay for them rather than passing the costs on to all taxpayers through property taxes. Through a combination of property taxes and user charges, quality city services will be offered at a reasonable cost to the residents of Rockford.

HOW TO USE THIS DOCUMENT

This budget document is intended to provide Rockford Citizens with information about 2016 City government and services.

The Table of Contents lists every subject covered in this document and its' page number. The document is organized under three major headings composed of a total of eight divider sections (Roman Numerals).

INTRODUCTORY SECTION

I. Executive Summary
- Citizen's Budget Highlights
- How To Use This Document
- The Budget Process and Document
- Significant Budget Issues

PROGRAM SUMMARIES

II. Legislative and Management Services
III. Community Development Services
IV. Human Services
V. Public Safety Services
VI. Public Works Services
VII. Non-Operating Funds

SUPPORTING INFORMATION

VIII. Supplemental Section
- Summary Schedules
- Financial Policies

This budget is a financial plan relating proposed City services for the year with the estimated means of financing them. The budget is prepared on a basis sufficient to accommodate accounting, legal and management requirements.

The 2016 budget is comprised of sixty-six (66) operating budgetary units. A budgetary unit can be defined as either a department, such as the Police Department, or a division of a department, such as the Street Division of the Public Works Department. A department, utilized in a managerial fashion by the City, can be by fund, such as the Library Fund or can be part of a fund, like the Fire Department in the General Fund. It also can consist of parts of the General Fund as well as other funds, such as the Community Development and Public Works Departments. An accounting fund(s) can be a department, like the 911 Communications Fund, or a division of a department, such as the Water Fund in Public Works.

Each city budgetary unit, regardless of accounting fund, is assigned to a program category, i.e., Police to Public Safety. For those readers interested in the City budget from a purely fund accounting point of view, the summary schedules in the appendix address that need as does the Revenue and Financing Changes section in the summary's Significant Budget Issues. Revenues from a program perspective are discussed under each department.

The description of each budgetary unit and its programs is structured as follows:

Budgetary Unit Summary
- Mission Statement
- Primary Functions
- Objectives for Fiscal Year 2016
- Budget Summary (2014-2016 Expenditure and 2013-2016 Funding Analysis)
- Authorized Personnel
- Budget Highlights
- Five Year Financial Forecast
- Capital Equipment
- Performance Measures
- Operational Information

The City utilizes a cost center budget with a cost center defined as the budget for a specific service being delivered. The primary advantage of cost center budgeting is that it gives policy makers and management exact information concerning a service and its associated costs for the decision making process. The cost center provides a description of the service being provided, how it is being provided and the service unit being delivered. For example, cost centers in the Fire Department budget are categorized by function such as Ambulance or Arson Investigation. The budget for a cost center includes all costs associated with providing the particular service, labor, fringe benefit, contractual, supply, interest and capital expenditures.

Additional information on the City's fiscal affairs is available in the following documents at City Hall:

City Financial Statements
City Annual Report
City Capital Improvements Program

The Finance Department staff is also available to answer any questions citizens may have on the City's financial affairs:

City of Rockford - Finance Department
425 East State Street
Rockford, Illinois 61104
(779) 348-7470

BASIS OF BUDGETING

The City's budget is prepared on the gross, rather than net budgetary basis. In order to associate costs with services, revenues and expenditures for pensions and certain other fringe benefits are budgeted by premium or unit/percentage allocation in departments providing services and are then transferred to funds that provide for the actual expenditures.

All revenues and expenditures that result from transfers between funds are adjusted to eliminate overstatements when all funds are consolidated.

The 2015 audit is not yet complete; this document provides estimates of 2015 expenditures and revenues.

The budget for the City of Rockford general government funds (these include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds) is prepared on a modified accrual basis consistent with Generally Accepted Accounting Principles. This means that expenditures are recorded when the related fund liability (such as an outstanding purchase order) is incurred and revenue is recognized when measurable and available. Expendable trust and agency funds are also prepared on the modified accrual basis.

Enterprise Funds, Internal Service Funds, Non-expendable Trust Funds, Pension Trust Funds, and Component Units are budgeted according to accrual accounting. These funds recognize revenues in the accounting period in which they are earned and become measurable while expenses are recognized in the period they are incurred. Budgeting for these funds is also consistent with Generally Accepted Accounting Principles.

The City attempts to use Generally Accepted Accounting Principles when preparing the budget, one exception is noted: for budget purposes, Proprietary Funds expense compensated absence liabilities when paid to employees as opposed to GAAP statements which require these liabilities to be accrued as earned.

THE PROCESS, PUBLIC INVOLVEMENT, AMENDING THE BUDGET

The City's fiscal year is the calendar year and its budget cycle is an annual one. By Illinois State Statutes, the Council must pass a budget prior to the end of the first quarter of the proposed budget year. During the first quarter of the proposed budget year, if the Council has not yet adopted a new budget, departments operate under the prior year's budget. Typically, the process begins sometime in March/April and ends at some point before the beginning of the budget year.

THE 2016 PROCESS

The 2016 process began early in 2015 due to projected General Fund deficit. Hearings were held from September to December. The schedule of events is shown in the Budget Timeline on the following page.

PUBLIC INVOLVEMENT

It is the City's policy to keep citizens informed during the budget process and to seek public input. In addition to holding public hearings, the City also makes available, before and after adoption, other summary and detail information. The City's efforts are assisted by extensive media coverage (daily newspaper, four television stations and a number of radio stations).

AMENDING THE BUDGET

The State of Illinois provides two avenues for budget (Appropriation Ordinance) amendment.

The City Council, at any time after the first half of each fiscal year, by a two-thirds vote of all members, may make transfers within any department of funds appropriated for one corporate purpose to another.

During any part of the fiscal year, the Council may adopt a supplemental Appropriation Ordinance in an amount not in excess of the aggregate of any additional revenue available to the City, or estimated to be received, subsequent to the adoption of the Appropriation Ordinance for that fiscal year. Such a supplemental Appropriation Ordinance shall affect only revenue that was not available for appropriation when the annual Appropriation Ordinance was adopted.

FINANCIAL PLANNING — THE KEY TO THE FUTURE

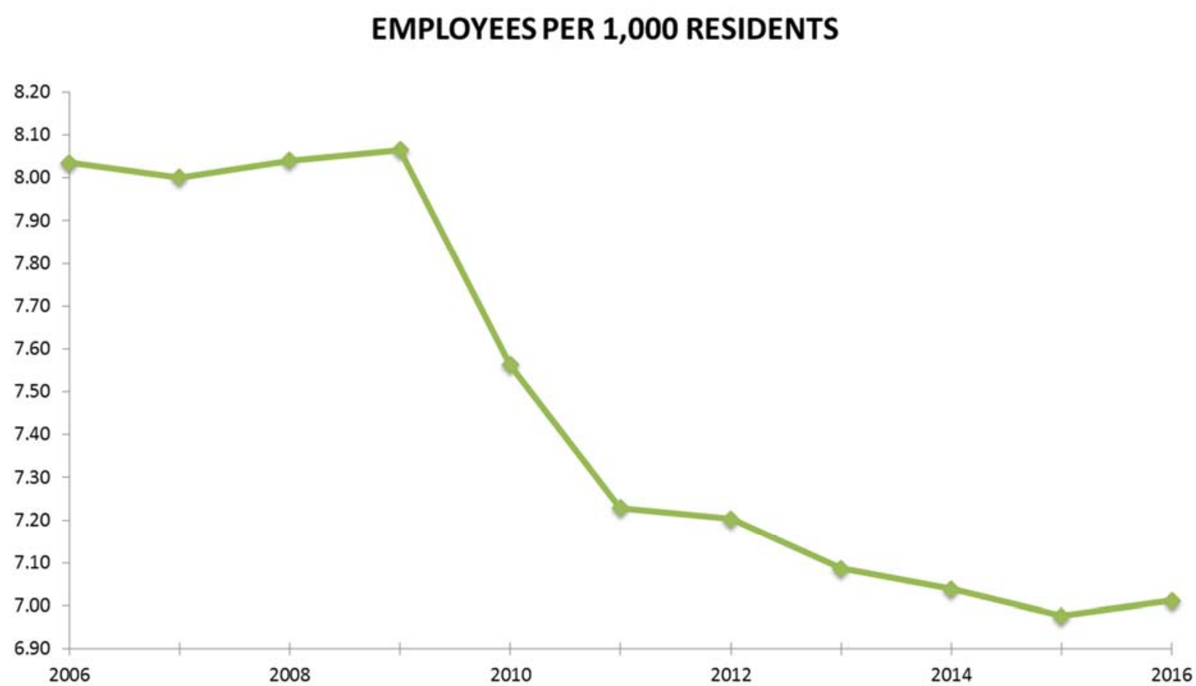
Each year, budget staff updates selected trends and the five-year forecast. In conjunction with this, the City has from time to time used a financial task force of business and financial executives who review and discuss the trends, assumptions, and proposed forecasts. In addition, the group reviews financial policy proposals that the staff develops for Council approval.

The planning process and the financial advisory group have guided the development of financial policies for budgeting, cash flow management, infrastructure improvement, and investment guidelines. The planning process, including the financial trends discussed in this section, has provided City policy makers with a sense of direction as they make decisions that affect the City's future. Examining these past trends and extrapolating them into the future gives decision-makers information that allows them to chart a direction for the City.

SELECTED TRENDS

One key to the financial planning process is gathering information about trends that affect the City's financial future. One set of trends the City continually examines is demographics such as population, jobs, and unemployment. The 2010 census of 152,871 was 2,756 (1.8%) greater than the 2000 census of 150,115. The population is expected to increase gradually over the next few years.

The City continues to keep the ratio of its employees and population in proportion. Budget deficits since 2009 have resulted in staffing reductions City-wide.



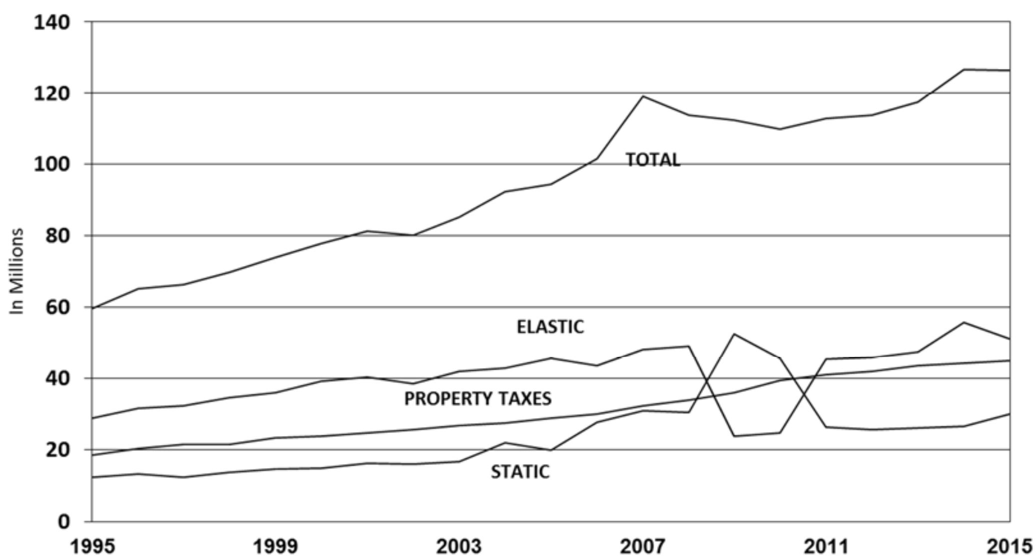
2010 Census shows population at 152,871

Although the City continues to attain an increasing population, the last few years have been difficult for the local economy. Unemployment in the City and County in general has been higher than state and national averages. Strong local economic development efforts by organizations such as the Chamber of Commerce, the Rockford Area Economic Development Council, and the City of Rockford continue to recruit additional employers to help reduce the unemployment rate in the City and surrounding area.

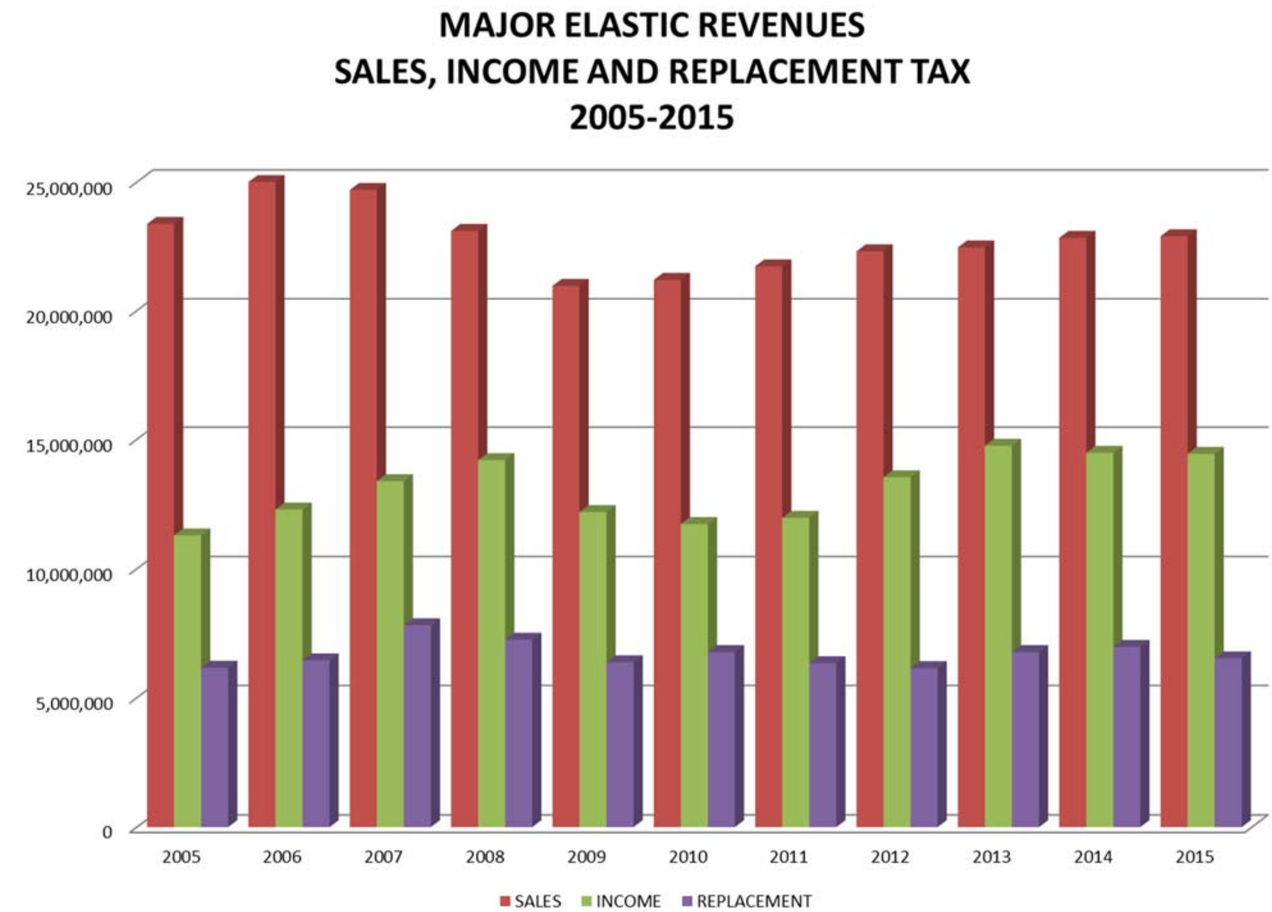
Employment in the Rockford MSA for December 2015 was approximately 171,800, an increase of 6,400 from 2014. Overall, total employment has decreased 7.15% from 1995 to 2015.

In addition to demographic trends, the City also follows revenue trends for its General Fund. All City revenues can be classified as property taxes, elastic revenues, and static revenues. Property taxes are a tax levied on real property. Elastic revenues are defined as those revenues that tend to change with economic conditions, such as sales taxes and income taxes. Static revenues, the balance, are revenues that change only by increased population and/or legislative change. Examples of these are building permits, liquor licenses and magistrate fines.

GENERAL FUND REVENUE SOURCE COMPOSITION



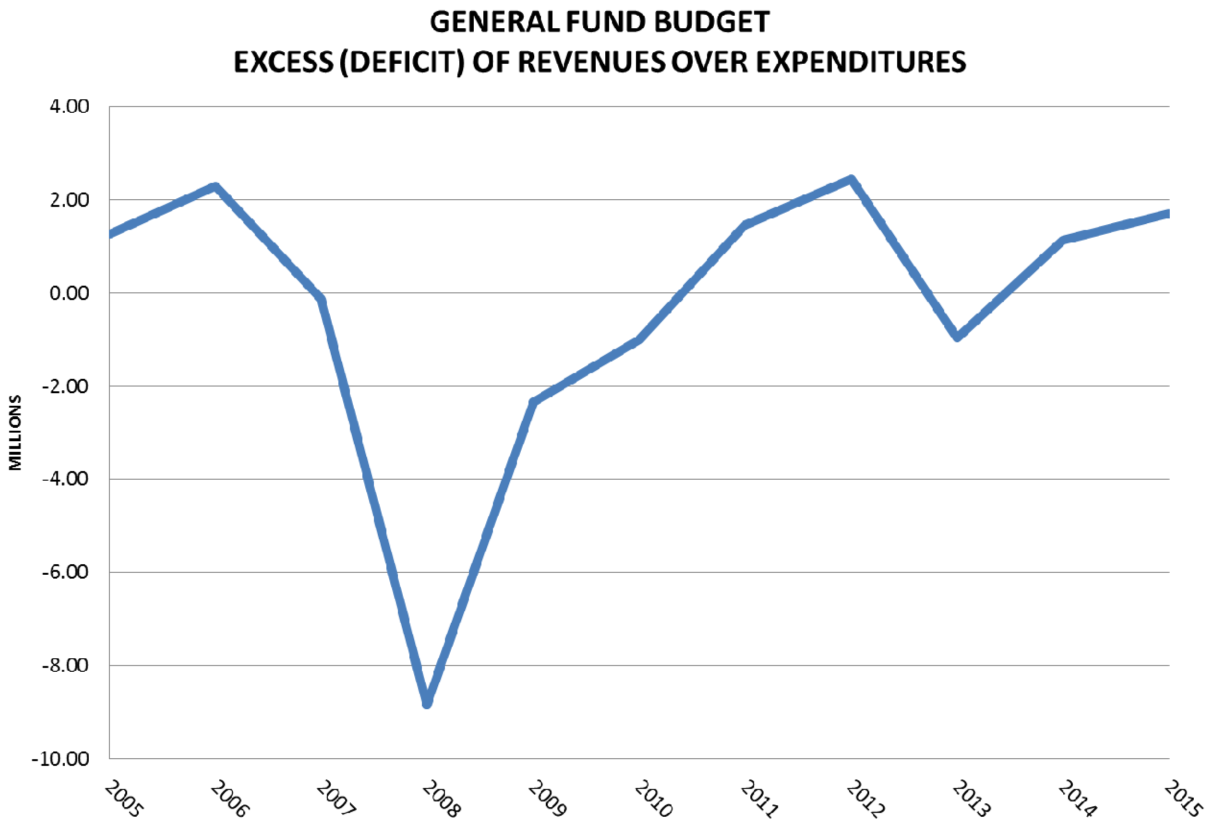
An economic expansion or recession would have a greater effect on elastic revenues than on the other two types. Increases in property tax revenue are a result of growth in the tax base, the consumer price index factor in the Property Tax Extension Law Limit (tax caps), and debt service expenditures approved by referendum.



In order to maintain a well-balanced mix of revenue sources, the City needs to continue to emphasize the growth of elastic revenues as well as static revenue sources through economic maintenance and development.

Fluctuations in the housing market impact general fund revenue in a number of ways. For 2016, Rockford's equalized assessed valuation (EAV) decreased to $1.422 billion (2%). 2015 EAV decreased $124,000 (less than 1%). Decreases in EAV affect property taxes, both rates and levies subject to tax caps.

Recent years have been more challenging due to lower elastic revenue growth, as well as tax cap and tax rate limit on property tax revenues, as a result of the slowing economy. As a result of current economic conditions, City operations and expenses have been curtailed to avoid deficit spending.



Added together, these year-end surpluses have improved the cash and fund balances of the General Fund from negative to positive. 2016 is a balanced budget year. It is the City's intention to maintain a positive cash and fund balance by limiting the short-term borrowing of funds and to continue past practices of balancing budgets, avoiding deficits, and maintaining adequate cash in the future.

ASSUMPTIONS

The City's five-year forecast for the General Fund (one-half of the City budget and the one with the most flexibility as to revenues and services) is based on certain assumptions. Certain important assumptions include:

REVENUES	ASSUMPTION	PERCENT BUDGET SHARE
Assessed Valuation (Percent)	0 – 2.5	30.6
Uncollectible Factor	0 – 1.0	
Sales and Other Taxes	(-2.0) – 2.0	24.8
Cable TV, Gas Licenses	0 – 5.0	2.5
State Income Tax	0 – 3.0	11.9
State Replacement Tax	0 – 3.0	5.4
Inspections	0 – 5.0	1.1
Federal/State/County	0.0	2.8
All Other	0 – 3.0	8.4
Service Reimbursements	0 – 5.0	7.8
Tax Levy Reimbursements	0 – 3.0	4.7

EXPENDITURES	
All Salary & Wage Compensation (Percent)	0 – 2.0
Fringe Benefits	5.0 – 10.0
Contracts, Supplies, and Other Expense	0 – 3.0
Interest Expense	0 – 3.0
Capital Expense	0 – 10.0*

2017-2021 PLAN

These assumptions, when applied to General Fund budget estimates for future years, produce the following excesses or deficits of revenues over expenditures.

Year	Excess (Deficit) (In 000's)	Percent of Total Budget
2017	(3,227)	-2.5%
2018	(3,153)	-2.4%
2019	(4,252)	-3.1%
2020	(5,604)	-4.0%
2021	(7,177)	-5.1%

NOTE: For the revenue and expenditure detail supporting these, refer to the General Fund summary schedule in the Supplemental Section.

Future assumptions are set to insure that revenue production will be maximized; however, expenditures will be planned to match expected revenues.

This five-year budget forecast indicates annual deficits for the entire period. Since the City has operated with a surplus for most of the last two decades, it may be that actual revenues will again exceed budgets and departments will under expend their budgets. This scenario may eliminate these initial deficits.

While the City faces potential deficits in its newest five-year plan, the history of its past experience illustrates that, by calling attention early to possible problems, solutions are sought and, as the deficit years get nearer, the size of the problem diminishes.

The City will review operations to seek solutions to the growing deficit by addressing efficiency and effectiveness of City services.

CASH MANAGEMENT — MAXIMIZING RESOURCES

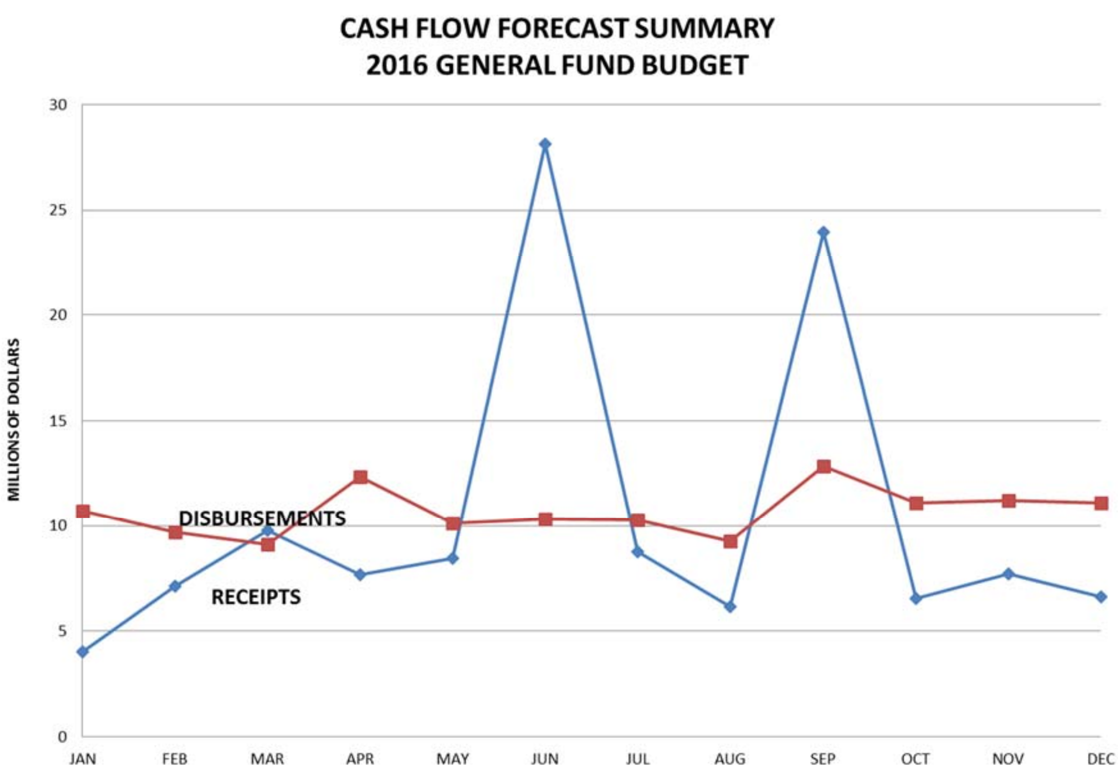
Each year the City adopts a budget. At the same time, this budget is converted into a cash budget internally to determine the cash flow for the budget year. Two revenue issues require consideration, property taxes and timing issues with shared revenues from the State. This requires the City to provide interim financing, internal or external, for certain operating funds. These funds and their percentage of revenue that is property tax are as follows.

PROPERTY TAXES AS A PERCENTAGE OF REVENUE FOR CERTAIN FUNDS

	GENERAL	LIBRARY
2012	37.0	87.1
2013	37.5	85.6
2014	41.1	85.0
2015	35.0	85.6
2016	35.8	85.8

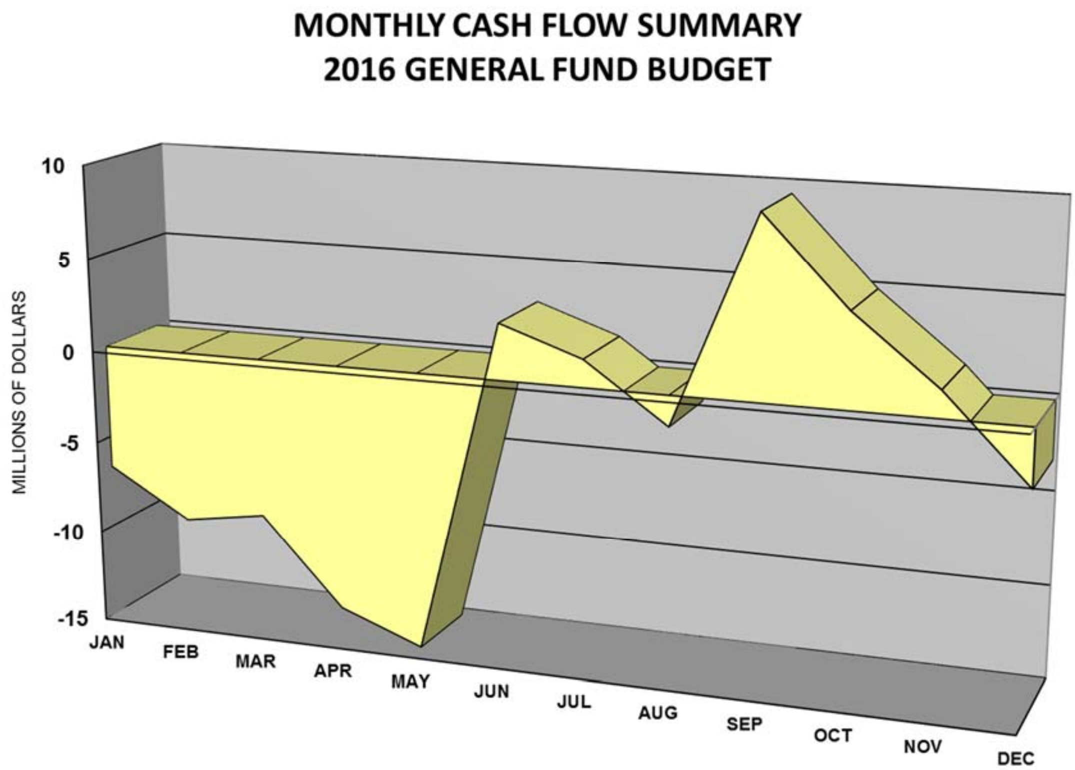
UNDERSTANDING CASH FLOW

To completely understand the importance that property tax revenues have in cash management, the 2016 cash flow forecast summary for the General Fund graph is useful in illustrating the timing problem.



Illinois property taxes are collected the year after the budget for which they were authorized in two payments: June and September. As noted above, the collection of over a quarter of the fund's revenues distorts any semblance of an orderly flow of revenue that matches expenditures.

This produces a cash draw down for the first five months of a fiscal year as the monthly cumulative summary illustrates.



For the General Fund, the 30% range for property taxes as a percentage of total fund revenues and the elastic revenue surpluses have generated sufficient cash for internal financing.

CASH POLICY REVIEW

The first City Financial Task Force recommended that the City develop balances that would allow it to accomplish two objectives:

- Reduce or eliminate the need to obtain short-term borrowing to cover operating expenses, and;
- Offset fluctuations caused by yearly excesses (deficits) of revenues over expenditures.

The current cash balance policy is:

> Assure adequate cash balances are available to meet the City's anticipated disbursements. Prior to budget deliberations, the Finance Department will annually develop cash flow analysis and recommend cash balance goals at specific points in time to meet those disbursements.
>
> For 1987, a minimum cash balance equal to 70% of those levies that support the General Fund is recommended to be in effect at the beginning of the City's fiscal year, January 1.

The Council policy for the use of above 70% excess funds is:

> Those funds available in excess of the minimum cash balance may be re-appropriated for other municipal purposes by the City Council. The use of these funds should be limited to non-recurring expenditures outside of the City's operating budget. Funds may also be used for abating taxes if the City Council so approves.

CASH MANAGEMENT IN 2015

With General Fund levies increasing $620,732 in 2015 and $1,163,139 in 2016, cash needs have increased.

It is anticipated that excess funds, should they materialize during future years, will be used exclusively to maintain the cash policy percentage of 70%. Management of the necessary cash flow will be the primary concern in the next few years for the City as property tax caps and binding arbitration continue to affect City operations.

The City will continue to exert strong budget control and place importance on financial planning in 2016 in order to restore and maintain its cash position.

EMPLOYEES — THE CITY'S MOST IMPORTANT ASSET

The City, like most local governmental units, provides services and can therefore be classified as a labor-intensive organization. Any organization that provides services can expect a substantial portion of its budget to be allocated for personnel costs. The following chart illustrates the City's personnel costs.

	General Fund	Total City
Total Budget	$127.8 Million	$253.5 Million
Employees	723.1	1,071.8
Personnel Costs	$91.2 Million	$131.7 Million
Personnel	71.3%	52.0%
Salary	46.9%	29.6%
Fringe Benefits	24.3%	22.4%

To help contain personnel costs, the City has taken several steps in the past to economize its use of personnel while maintaining service quality. These steps include:

- eliminating inefficient or ineffective services;
- improving the method of delivery for certain services;
- contracting certain specialized and/or seasonal services to private contractors; and
- adding certain key positions.

As part of the City's budget preparation process, departments consider the aforementioned means of reducing personnel costs while maintaining service levels and quality. When departments prepare their personnel budgets, they give consideration to current and future practices in the context of the above factors. The 2016 budget was developed using these steps as guideposts to ensure that quality services are being delivered with the lowest possible personnel costs. All departments and agencies prepared budgets by analyzing their operations in light of the above factors.

EMPLOYMENT TRENDS

Since 2014, 27.7 full-time equivalent positions have been eliminated, a decrease of 0.83%, across program lines in legislative and management, public safety, community development, public works, and human services.

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
PERSONNEL AUTHORIZATION
ALL FUNDS

PROGRAMS AND AGENCIES	2013	2014	2015	2014-2015 INCREASE (DECREASE)	2016	2015-2016 INCREASE (DECREASE)
LEGISLATIVE & MANAGEMENT						
MAYOR	4.00	4.00	4.00	0.00	4.00	0.00
LEGAL	12.00	12.00	13.00	1.00	13.00	0.00
FINANCE	36.00	36.00	36.00	0.00	36.00	0.00
INFORMATION SERVICES	4.00	4.00	4.00	0.00	5.00	1.00
HUMAN RESOURCES	5.00	5.00	5.00	0.00	5.00	0.00
LEGISLATIVE & MGMT TOTAL	61.00	61.00	62.00	1.00	63.00	1.00
COMMUNITY DEVELOPMENT						
CD ADMINISTRATION	1.50	1.50	1.50	0.00	1.50	0.00
CD CODE ENFORCEMENT	0.00	0.00	0.00	0.00	0.00	0.00
CD PLANNING	4.30	4.30	4.30	0.00	4.50	0.20
CD CONSTRUCTION SERVICES	25.20	25.20	23.20	(2.00)	25.00	1.80
CD DEVELOPMENT	7.00	7.00	6.00	(1.00)	6.00	0.00
COMM DEVELOPMENT TOTAL	38.00	38.00	35.00	(3.00)	37.00	2.00
HUMAN SERVICES						
HUMAN SERVICES	96.35	95.50	86.40	(9.10)	90.83	4.43
LIBRARY	86.25	87.00	87.00	0.00	87.00	0.00
HUMAN SERVICES TOTAL	182.60	182.50	173.40	(9.10)	177.83	4.43
PUBLIC SAFETY						
POLICE	319.00	322.50	323.00	0.50	323.00	0.00
FIRE	280.00	259.00	259.00	0.00	258.00	(1.00)
911 COMMUNICATIONS	53.00	53.00	53.00	0.00	53.00	0.00
PUBLIC SAFETY TOTAL	652.00	634.50	635.00	0.50	634.00	(1.00)
PUBLIC WORKS						
ADMINISTRATION	2.00	2.00	2.00	0.00	2.00	0.00
ENGINEERING	9.50	8.00	9.10	1.10	9.10	0.00
STREETS & SEWERS	31.00	31.00	31.00	0.00	31.00	0.00
TRAFFIC	11.00	11.00	11.00	0.00	11.00	0.00
CAPITAL PROJECT	16.50	18.00	18.90	0.90	18.90	0.00
PARKING SYSTEM	8.50	3.00	3.00	0.00	3.00	0.00
BUILDING MAINTENANCE	10.00	10.00	10.00	0.00	10.00	0.00
EQUIPMENT MAINTENANCE	9.00	9.00	9.00	0.00	9.00	0.00
CENTRAL STORES	4.00	4.00	4.00	0.00	4.00	0.00
WATER	64.00	64.00	63.00	(1.00)	62.00	(1.00)
PUBLIC WORKS TOTAL	165.50	160.00	161.00	1.00	160.00	(1.00)
TOTAL	1,099.10	1,076.00	1,066.40	(9.60)	1,071.83	5.43

Staffing for 2015 was 1,066.40 positions, a decrease of 9.60 FTE over 2014. Increases include 3.5 in Legal, Police, Engineering and Capital Projects. 13.10 eliminated from Human Services, Construction Services, Community Development, and Water.

2016 EMPLOYMENT

Staffing for the 2016 budget by program is provided in the Personnel Authorization Schedule. Employment has increased to 1,071.83 positions.

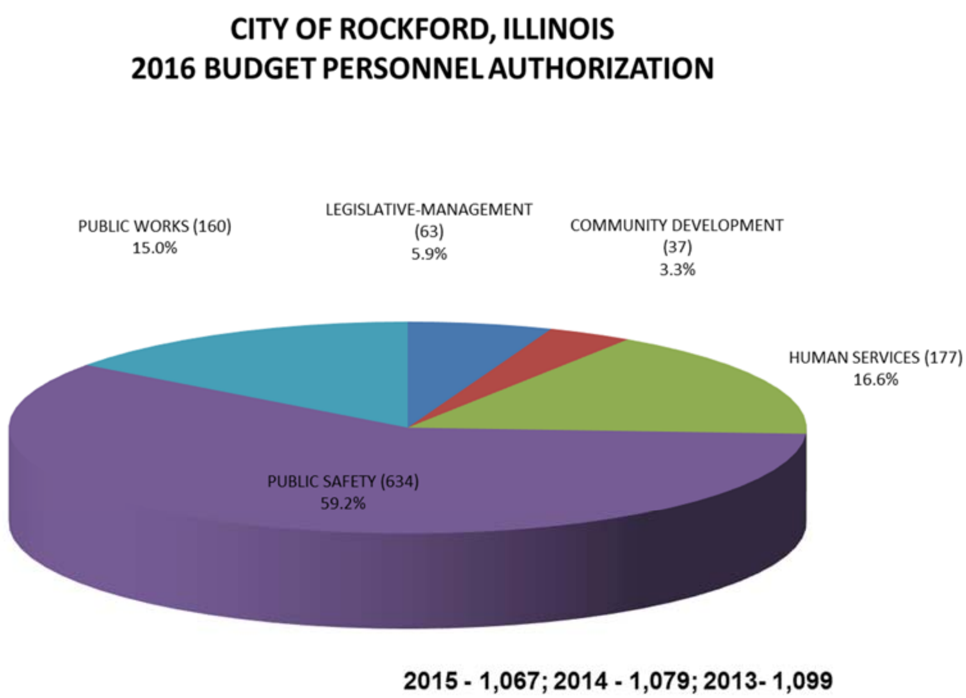
The Public Works group total FTE decreased by 1.00. The Water Division eliminated 1.00FTE for Senior Account Clerk.

In the Public Safety group, there is a decrease of 1.00 FTE for an additional Fire Equipment Specialist.

In the Human Services group, there is an overall increase of 4.43 FTE.

The Community Development group total FTE increased by 2.00. The Construction Services Division made numerous adjustments for 1.8 FTE increase and Planning had 0.20 FTE increase.

In Legislative & Management group, there is an increase of 1.00 FTE for a Strategic Communications Manager in Information Technology Department.



2016 CHANGES IN COMPENSATION

The majority of the City's work force is organized into five collective bargaining units.

Unit	Employees	Percentage Of Total
Police Sworn	274.0	32.2%
Fire Sworn	242.0	29.6
Public Works/Clerical (AFSCME)	189.0	22.3
Community Development (AFSCME)	15.0	1.8
Human Services (AFSCME)	57.8	6.8
Library (AFSCME)	62.5	7.3
	852.3	100.0%

2012-2016 SALARY AND BENEFIT ADJUSTMENTS BY EMPLOYEE GROUP
(Percentage)

Year	Police Sworn	Fire Sworn	AFSCME	AFSCME B	Non-Represented
2012	2.00	2.75	2.00	2.00	3.00
2013	2.00 – 1/1/2013 2.00 – 7/1/2013	2.50	2.00	2.00	2.00
2014	2.50	2.50	2.00	2.00	2.00
2015	Currently bargaining	Currently Bargaining	2.00	2.00	2.00
2016	Currently bargaining	Currently Bargaining	2.00	2.00	2.00

From the late 1970's to the 1980's the City paid the total cost of health insurance premiums. In 1988, the Community Development AFSCME group and the exempt employees each began contributing to their health insurance costs. In 2004, employee contributions more than doubled as an effort to control rising health insurance costs. In 2007, the City introduced a new health savings (HSA) option in addition to the traditional PPO plan for health insurance premiums. Annual premium costs for the HSA in 2016 are $6,604 for single, $13,208 for single plus one, and $19,812 for family. Annual premium costs for the traditional PPO plan in 2016 are $6,370 for single, $12,740 for single plus one, and $19,110 for family.

EMPLOYEE FRINGE BENEFITS

Total employee compensation includes not only salaries but also all direct fringe benefits necessary to fund a position. Fringe benefits are often not considered during compensation review and the ramifications of this hidden cost are often not realized until later budget years.

For the City, direct dollar fringe benefits average from 44.5% to 61.5% of salaries. While fringe benefits vary by employee group, the selection of Police Sworn, Fire Sworn, Finance (office), and Public Works Streets Division (field) illustrates the four typical groups.

BENEFITS AS A SALARY PERCENTAGE

	SWORN		NON-SWORN	
Benefits	Police	Fire	Office	Field
Pension	27.4%	33.9%	21.3%	19.0%
Worker's Comp	3.4%	6.0%	0.3%	4.3%
Health	22.5%	21.2%	24.2%	22.1%
Other	1.0%	0.4%	1.2%	0.3%
Total	54.3%	61.5%	47.0%	45.7%

AVERAGE COSTS PER BUDGETED POSITION

Salary	$80,735	$83,555	$53,705	$46,317
Fringe Benefits	43,861	51,437	25,262	21,147
Total	$124,596	$134,991	$78,967	$67,464

As shown above, 2016 fringe benefits range from 45.7 percent for field personnel to 61.5 percent for fire personnel, while average costs per position range from $67,464 for field personnel to $134,991 for firefighters. Costs increase primarily because of salary and pension adjustments.

In 2015, the fringe benefit range was from 44.5 percent for office personnel to 61.5 percent for fire personnel, while costs per position range from $57,462 for field to $134,991 for fire.

Direct fringe benefits are discussed individually in the Non-Operating Funds section of the budget.

In addition to direct fringe benefit costs, certain indirect fringe benefits, such as vacations and sick leave, may add approximately six to eight percent to the fringe benefit percentages. These costs are not, unless additional positions are budgeted to compensate for this lost time, an addition in dollars, rather they represent a loss in service units delivered. Employees, as this section illustrates, are a key component of the City's budget both in terms of delivering services to citizens and as the single largest expense.

CAPITAL EQUIPMENT AND PROJECTS

Capital equipment and projects, slated at $29.8 million for 2016, are important elements of the City's service delivery system. Capital equipment, over $5,000, is used by employees to deliver services such as police and fire protection to the public. Capital projects, whether streets, bridges, wells, sewers, or water mains, serve community residents by providing basic necessities for industrial, commercial, and residential needs and development.

It is City policy to avoid balancing the budget by deferring capital equipment purchases. Doing so may serve an immediate purpose but it becomes a costly deferral in the long run. Drawbacks to deferring capital equipment purchases results in acquiring assets whose lives do not match the repayment schedule, accentuating an extremely cyclical equipment replacement schedule, and sharply higher maintenance costs.

With the 2002 economic downturn, $3.0 million in annual capital equipment spending was eliminated. Police vehicle spending of $500,000 was augmented by a $3.2 million 2004 bond issue for fire trucks, ambulances, and a fifteen truck snow fleet. Spending since then has been sporadic from 2004 through 2009 for Police, Fire, and Public Works was $8.9 million or about $1.7 million annually. Police spent $2.7 million for cars and specialized equipment. The Fire Department spent $3.4 million for fire trucks, specialized fire equipment, and buildings. Public Works spent $2.8 million for vehicles and specialized equipment, with no capital expenditures for these functions from 2005 through 2007.

In late 2011, City Council approved a policy to begin replacing capital equipment with a municipal lease program. Staff formulated a four-year plan to downsize and replace the entire City fleet. The plan was extended an additional two years at the beginning of 2014, to better match expenses with projected revenue growth. 2014 saw the purchase of approximately $4.4 million in capital equipment, with a 2016 lease obligation of $3,759,928. Staff estimates that, once fully implemented, the leasing program will cost the City $5 million annually in payments and reduce maintenance expenses by at least $1 million.

In 2016, 25.0% of the budget is allocated to capital items. Capital items for the City can be divided into equipment and projects. The former can be further divided into the following categories: office equipment, which is primarily office equipment and furniture, building improvements, vehicles and operating equipment, and computer hardware and software.

The $29,870,000 budgeted for capital equipment and projects in 2016 can be divided into five components: office equipment - $415,723; building improvements - $113,659; vehicles and operating equipment - $30,000 computer software and hardware - $219,875; and for capital projects - $26,476,917.

Equipment Fund	2009	2010	2011	2012	2013	2014	2015
Actual Expenditures	3,784,746	3,774,495	4,080,237	3,953,045	3,871,468	3,691,343	3,064,224

The Equipment Fund has shown general reductions in maintenance expenses as a result of capital equipment purchases.

The CIP Sales Tax has given the City a higher level of capital project investment than ever. As a result of the increased investment in road resurfacing and reconstruction, the Street Division has experienced a reduction in pothole complaints and pothole patching.

POTHOLE SUMMARY					
Statistics	**2012**	**2013**	**2014**	**2015**	**TOTAL**
Potholes Patched	72,494	113,727	85,672	69,103	340,996
Material Cost	$ 98,027.08	$ 169,387.00	$ 200,015.84	$ 148,059.40	$ 615,489.32
Number Pothole Requests	3,298	3,186	3,116	2,754	12,354

Office equipment of $415,723 is allocated $330,000 to the Election Commission and $85,723 to the Library. The Election Commission's capital equipment dollars will go toward the purchase of express voter auto-mark equipment. The Library's capital equipment dollars will go toward upgrading current office equipment needed at numerous Library locations.

Building improvements of $113,659 are allocated to the Main Library and various branches for carpeting and repaving parking lots. The Water Division's $328,000 includes a variety of vehicles, operating equipment, and building improvements.

The anticipated capital purchases will replace equipment and vehicles in the existing fleet. The City expects to realize a significant reduction in service and repair costs related to maintaining aging City vehicles. With new vehicle purchases, it is expected that vehicle down time will drop significantly. This will allow for an overall fleet downsizing and increases in employee productivity.

The capital project portion, $29.8 million ($27.1 million capital) includes $7.9 million in roadway improvements, $5.9 million in neighborhood programs, $1.8 million in highway repairs, $3.9 million in drainage and storm water, $2.3 million in sidewalk and multi-use paths, $1.1 million in lighting and traffic signals, $3.3 million in special projects and $400,000 in project development. Ongoing projects, already funded in previous years, will continue and incur expenses in 2016 as well.

The proposed water system improvements, $8.2 million in 2016 work, include water system operation upgrades and construction of trunk line water main.

The current program revenues for 2016 are at $29.8 million. A local sales tax of one percent (1%) was approved for a five year period starting July 2007 and was extended by referendum for an additional five year period April 5, 2011 and for an additional five years on March 15, 2016. The local sales tax replaces the annual street bond referendum and provides $15.0 million in revenue. State motor fuel tax revenues of $2.4 million decrease $780,000 over 2015.

The $20.8 million budgeted in the capital improvements program supports the traditional transportation and drainage programs funded by sales tax, motor fuel taxes and grants. 2016 is the first year of the 2016-2020 five-year capital improvement program becoming part of the current year's budget. The capital improvements program is City Council approved and funded by a mix of revenues including bond proceeds, state taxes, local taxes, interfund transfers, and grant funds.

REVENUE AND FINANCING CHARGES

The 2016 budget estimates revenue of $250.3 million net of inter-fund charges and transfers for all funds. As discussed in the selected trends section of Financial Planning earlier, the City classifies revenues as property taxes, elastic revenues and static revenues.

For 2016, the City assumes -3.5% - 0% growth in assessed valuation (the basis for property tax revenue), a 0-4% growth in elastic revenues, and a 0-2% increase in static revenues.

For accounting purposes, the City classifies programs and operations into the fund structure used for local governments. These funds and how they are financed are shown below.

Fund	Property Taxes	Sales Taxes	Service Charges	Licenses Fines	Intergvt Revenue	Interest Income	Bond Proceeds	Other Transfers
General Fund	X	X	X	X	X	X		X
Special Revenue	X	X	X	X	X	X		X
Debt Service	X					X		X
Capital Projects					X	X	X	X
Enterprises			X	X		X		
Internal Service	X		X		X	X		X
Pension Trust	X				X	X		

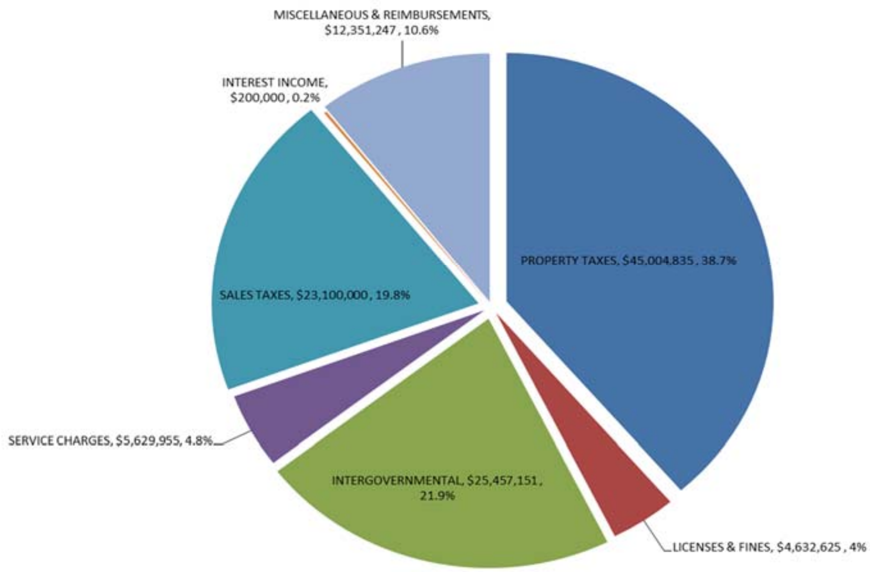
Most of these are self-explanatory. Intergovernmental revenue is income from federal, state, and other local governments. Other income and transfers are miscellaneous items, restricted receipts and transfers. Property taxes are net of accounting adjustments and projected tax cap losses.

GENERAL FUND REVENUE - ($127,815,037)

General Fund revenues are derived from eight major sources: taxes, licenses, intergovernmental revenues, service charges, fines, interest income, transfers and other miscellaneous income.

Elastic revenues, sales and intergovernmental taxes, account for more than one-half of the fund. With property taxes included, these three sources comprise 80% of the total. The total dollar amount collected for most of these sources has increased from 2015 to 2016. The percentage of the total that each represents, property taxes, elastic revenues and static revenues, has also slightly increased from the prior year.

2016 GENERAL FUND REVENUES $127,815,037

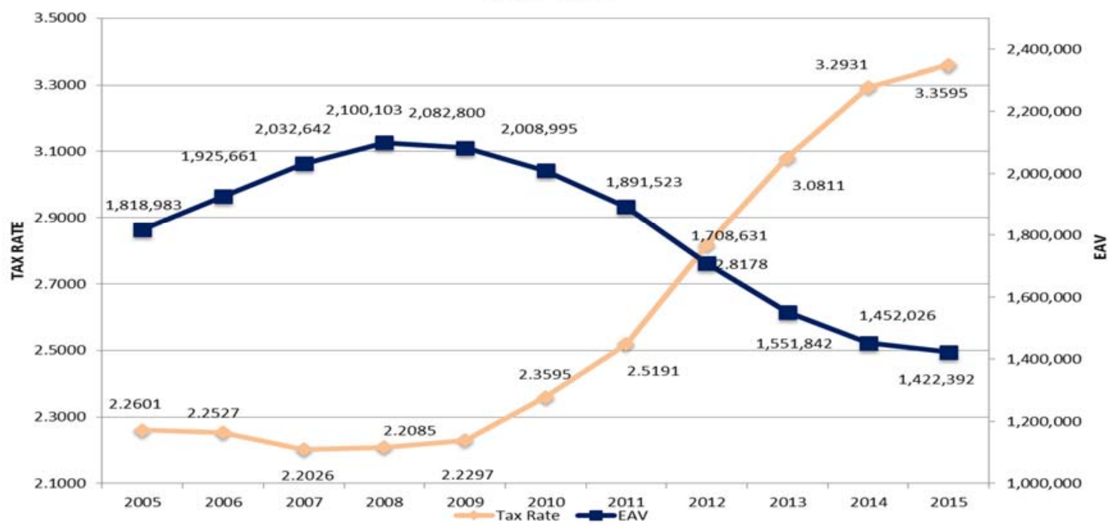


THE PROPERTY TAX

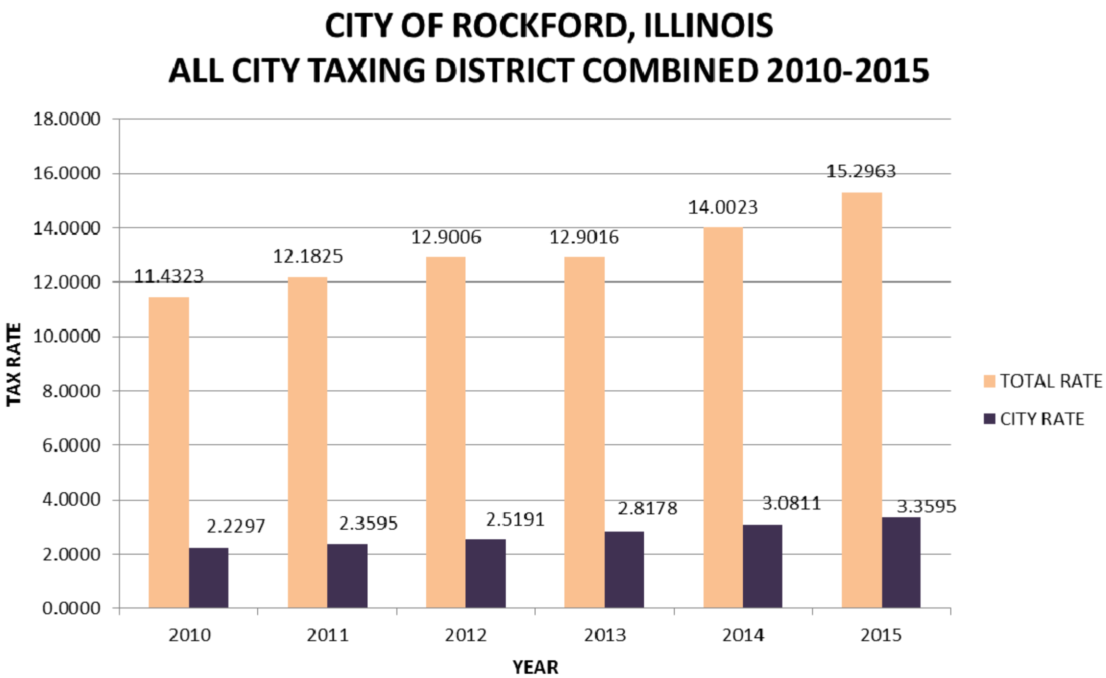
Property tax revenues are generated by multiplying equalized assessed valuation (EAV), in Illinois one-third of market value less any exemptions, by a tax rate.

2015 EAV is $1,422,514 compared to the previous year's $1,455,246. The drop in existing valuation was offset by estimated new construction of $4.7 million and annexations. Increases in EAV due to annexation of new areas were $0 in 2015. EAV change estimates will be 0% for 2016-2018.

The graph below illustrates the relationship between EAV and the property tax rate. Poor EAV performance puts pressure on the rate if levies are increased to raise revenue. Given the fact that rates are fixed for a number of levies and that the City is at the maximum for many limited levies, this has implications for future budgets.



As the All City Tax Rate Graph illustrates, tax rates for both the City and all taxing districts increased a total of 0.9797 cents in 2015. The City tax rate increased 21.2 cents. Tax rate changes for the remaining six taxing districts ranged from an increase of 55.1 cents for the school district to an increase of 1.06 cents for the township; overall, there was an increase of 76.87 cents for these units.

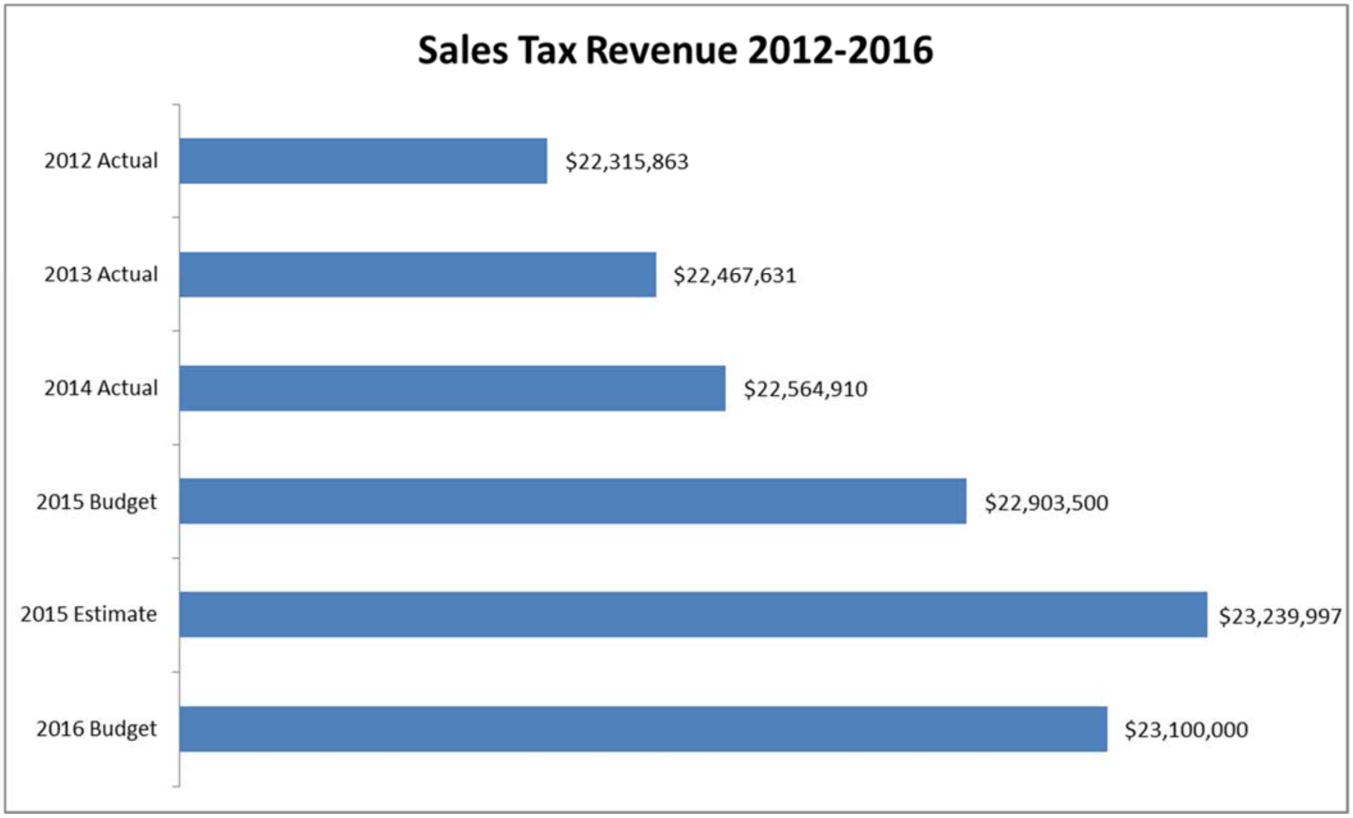


The City rate is 22% of the total rate of $15.2963. It is the City's goal to maintain a stable tax rate in order to remain competitive with surrounding communities and unincorporated areas in economic development and annexation efforts.

The 2015 City rate is $3.36. $3.18 for operations and $0.18 for debt service. For property taxes, the City's five year planning process takes into account the impact of both tax rate and tax cap limitation rules. With conservative budgeting and adequate reserves, these regulations can be adhered to.

THE GENERAL FUND SALES TAX

Sales tax, retailer's occupation tax, is assessed at one percent on all sales in the municipality and is collected and distributed by the State of Illinois on a monthly basis. The 2016 budget estimates $23,100,000 which is 0.9% ($196,500) more than the 2015 budget ($22,903,500). As the following graph illustrates, this elastic revenue source tends to fluctuate depending on the national and local economies as well as on local economic growth. This tax graph tends to pinpoint economic ups and downs rather well. While sales tax has increased at an average rate of better than five percent in the past, if the increase is adjusted for inflation, then this revenue source has not always held its own for the City. For the future, the City estimates two percent for both the growth and inflation rate.



The City began receiving local use tax on a statewide formula basis during 1990. This is a sales tax collected by the State on sales to Illinois residents by out of state companies. Revenues for 2014 and 2015 are $2,870,900 and $3,400,139 respectively. 2016 budgeted revenue is $2,900,000.

The City receives a 6% phone tax. Revenue, $4,382,378 for 2015 is budgeted at $4,504,387 for 2016. The 5% water utility tax, implemented in 2003, $1,115,799 for 2015; $1,230,000 is budgeted for 2016.

OTHER GENERAL FUND REVENUE

License and inspection estimates have increased $212,091 from $4,420,534 in 2015 to $4,632,625 in 2016. Building inspection fees in excess of $100,000 per project are considered unusual and are not budgeted.

The 2015 estimated actual of $4,577,883 is $157,349 over budget, reflecting many increases and decreases in licenses issued. Primary increases occurred in CATV franchise fees ($42,451), overweight fees ($45,810), tobacco fees ($26,183), and liquor fees ($21,903).

The 2016 intergovernmental revenue budget estimate is $25,457,151, an increase of $237,369 from 2015's $25,219,782. The most significant increase was the State Income Tax ($541,801), replacement tax ($325,211) and other government ($150,000), offset by a decrease in Federal Government revenue ($712,500). Due to the volatile nature of replacement taxes, a fixed growth assumption is not used; rather, annual results are analyzed.

The 2015 intergovernmental actual is estimated to exceed the original budget by $3,304,599. Replacement taxes, a state revenue source distinguished by its instability since its inception in 1978, came in $615,247 over estimate. This revenue source is allocated by state law to pensions as well as the Library and General Fund. The latter two funds absorb all annual gains and losses. This is perhaps the most volatile elastic revenue source the City has and, consequently, the most difficult one to forecast. State Income Tax exceeded the estimate by $2,093,810.

Service charges, budgeted at $5,351,000 for 2015, have increased $278,955 to $5,629,955 for 2016. This is primarily due to an increase in ambulance fee revenues. The 2015 service charges estimate of $5,655,347 was $304,347 over budget.

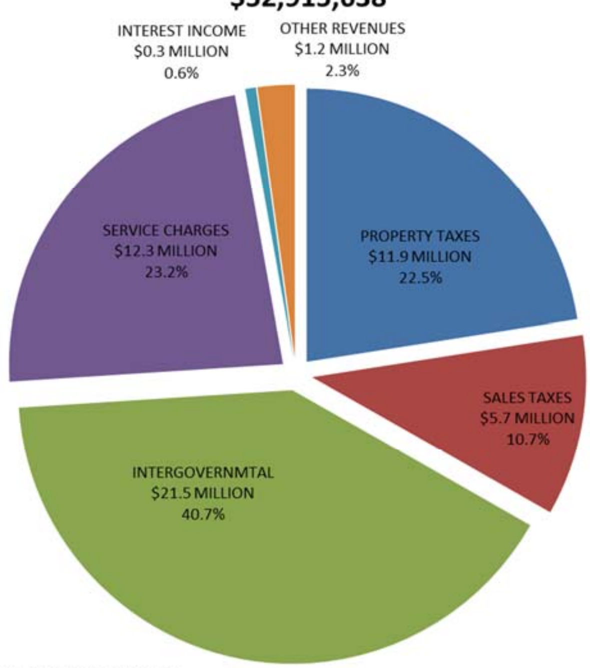
General Fund fine revenue can vary depending on economic conditions. $1,104,837 is the 2016 estimate; the 2015 actual estimate is $1,029,228. A decrease in magistrate fines, $100,000, offset by increase in neighborhood hearing fines, $25,000.

Interest income, budgeted at $100,000 for 2015, is estimated at $200,000 for 2016. $769,912 is estimated for 2015.

Other income for the General Fund consists of purchase of service reimbursements (indirect cost allocation) from various funds for administrative, legal, financial, and personnel services provided, various damage, abandoned property, and miscellaneous accounts. The amounts charged to other funds are increased annually to insure that they reflect actual costs. The 2015 budget and receipts were $13,014,404 and $11,442,724 respectively. 2016's budgeted $12,351,247 is $663,157 less than the prior year's budget and $908,523 less than the actual primarily due to capital lease proceeds. Purchase of service reimbursements are increased annually to reflect increased costs.

Transfers total $1,500,000 this year. The $1,500,000 transfer from the Motor Fuel Tax Fund is designed to pay for street lighting. The General Fund, in turn, transfers $1,500,000 to the Capital Projects Fund to pay for designated projects.

2016 SPECIAL REVENUE FUNDS' REVENUE
$52,915,638



(2015- $55,381,334)

The City utilizes thirty-one special revenue funds. Although financing for this fund group has increased from 2015's $55.4 million, the revenue mix has been essentially unchanged since 1985.

Motor Fuel Tax Fund - This fund is financed by shared revenue payments ($4,503,500) from the State of Illinois on motor fuel (19 cents per gallon) for road building and maintenance purposes. 2016 interest earnings are estimated at $10,000.

Sanitation Fund - This fund is financed by a $252.24 annual user fee collected on the monthly water bill. In addition, the fund receives a small amount in property tax, rental income and interest earnings.

Community Development Block Grant Fund - This fund, primarily involved with economic development and neighborhood rehabilitation, is financed by federal grants ($3,022,818). Program income is estimated at $60,000. The 2015 carryover of prior year funds and grant authorizations is $448,506.

Redevelopment Fund - This fund, for redevelopment purposes and Metro Center Authority subsidy payments, has four revenue sources: motel/hotel tax (1%) - $381,000; restaurant/lounge (1%) - $3,055,000; package liquor (1%) - $535,000. For 2015, receipts are $4,305,129, $479,829 above the estimate; with restaurant/lounge coming in above estimates. This tax was originally authorized in 1978 and has been extended to 2028 to fund various projects.

Tourism-Promotion Fund - This tax, five percent on motels and hotels, was instituted in 1985 to promote tourism. It was increased from one to two percent in 1991, from two to four percent June 1997, and, for the Coronado Theater renovation project, from four to five percent July 1999.

Tax Increment Financing Districts - TIF districts receive revenues from property taxes and interest income. In TIF districts, assessment values are frozen at a certain date and the increase, and the increment in assessed values and consequently, property taxes since that date, is to be used for redevelopment purposes in the districts. Property taxes for all districts continue to grow at an incremental pace.

Retail TIFs – There are 20 Commercial Retail TIF Districts, East Side, East River, West Side #1 and #2, River District North, South Rockford, Assisted Living, West State and Kilburn, State and Central, Springfield Corners, North Main and Eddy Ave, North Main and Auburn, Main and Whitman, Seventh Street, Midtown, Broadway, State and Alpine, East State and Mulford, Auburn, and Jefferson and North 3rd Street. The primary function of the Retail Districts is to assist retail development and redevelopment the area to make the area more economically viable.

Industrial TIFs – There are seven industrial TIF Districts, Kishwaukee-Harrison #1 and #2, Preston and Central, Rockford Global Trade Park #1, #2, #3, and Global Trade Park South. The primary function of the Industrial Districts is to assist business development and redevelopment in the area to make the area more economically viable.

Residential TIFs - The six residential TIFs include Lincolnwood #1 and #2, Hope 6, Garrison School, River Oaks (Thatcher Blake River Walk), and Jackson School. The primary function of the Residential Districts is to assist in residential development and redevelopment of the area to make the area more economically viable.

Human Services - This fund is financed by two federal ($6,298,084) and four state agencies ($5,400,000) to provide services in Community Services, Headstart Preschool, Drug Free, Weatherization and Energy Assistance. Revenues tend to fluctuate based on grants and federal priorities.

Tuberculosis Sanitarium - Revenues are received from property taxes, user fees, and interest income. The property tax limit is $970,000; currently the fund is at $128,124.

Library Fund - This fund is financed by property taxes ($7,330,000), state replacement taxes ($755,000) fines ($95,000), service charges and non-resident fees ($50,500), grants ($190,000), interest and rental income ($60,000) and miscellaneous income ($75,000). Of any City operating fund, the Library is most heavily dependent on the property tax as the largest source of revenue, 84.0%.

OTB Special Projects Fund - This fund, used for special projects, receives one percent of the handle from the local off-track betting parlor.

DEBT SERVICE REVENUE FUNDS - ($15,521,024)

Debt Service Funds - These funds are funded by property taxes ($3,616,765), tax abatements from TIF Districts, development funds, and OTB Special Projects Fund ($5,416,267), the parking and water utilities ($5,740,742), and sales tax ($747,250). For further information, see Debt Service under Non-Operating Fund section.

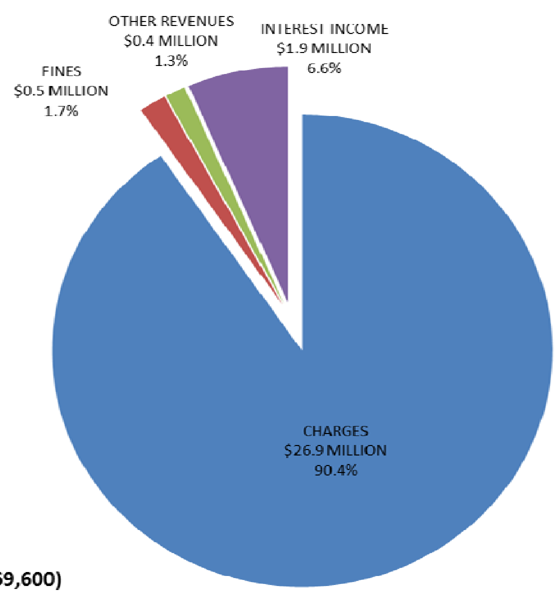
CAPITAL PROJECTS FUNDS REVENUE - ($29,870,000)

Capital Project Funds - These funds are financed transfers from Sales Tax, Motor Fuel Tax, General, and Water Funds. For further information, see Capital Projects under the Public Works section.

ENTERPRISE FUNDS REVENUES - ($29,787,409)

The City utilizes two enterprise funds, Water and Parking in the Public Works Department. The revenue mix has changed little from the previous year.

2016 ENTERPRISE FUNDS' REVENUES
$29,787,409



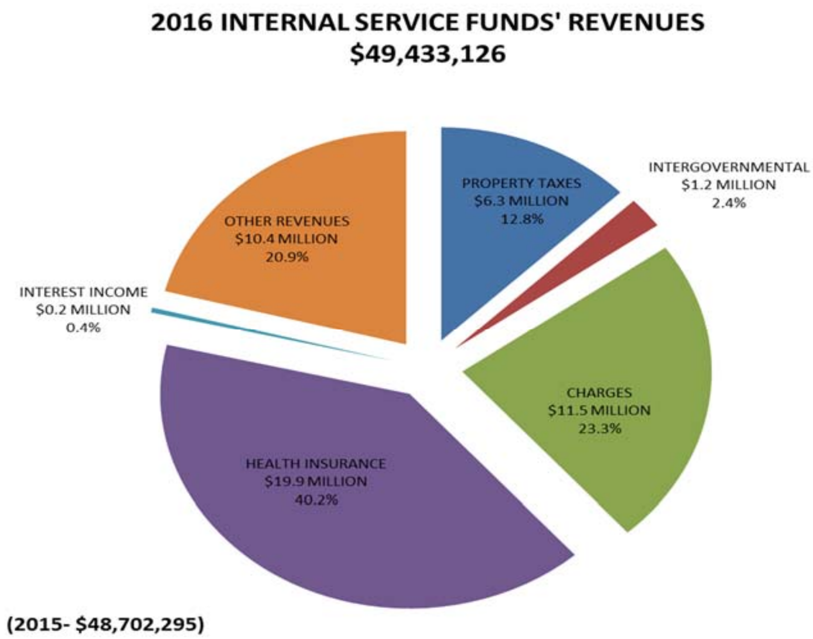
(2015- $27,369,600)

Water Fund - This fund is financed by user fees ($26,211,000), installations and connections ($726,000); interest income ($200,000), and service charges to other funds and governmental agencies ($202,250).

Parking Fund - The Parking System is financed by fines ($518,442), permits and fees ($1,601,668), purchase of services ($46,600), and interest income ($136,449).

INTERNAL SERVICE FUNDS REVENUES - ($49,433,126)

The City uses eleven internal service funds. While financing for this fund group has increased from 2015's $48,702,295 budget, the revenue mix is unchanged.



Property Fund - This fund, part of the Public Works Department, provides building maintenance for City facilities.

Equipment Fund - The Public Works Department operates garage facilities for vehicle maintenance for City departments at a central location.

Central Stores Fund - This fund, part of the Public Works Department, provides centralized inventory services for the entire Department.

Information Technology Fund - This fund finances the Information Technology department, which provides IT services to the entire City.

911 Communications Fund - Providing 911 communication services to public safety departments, this fund is financed by County revenues and City General Fund purchase of services.

Illinois Municipal Retirement Fund - The revenues for this fund finance retirement benefits for eligible employees, as well as Social Security contributions. Property taxes are estimated at $3,298,000; replacement taxes at $325,000; interfund transfers from non-property tax funds at $3,475,957 and interest income at $10,000 for 2016. The property tax rate is unlimited.

Unemployment Insurance Fund - The budget includes $134,478 in property taxes and $32,022 in interfund transfers from non-property tax funds, and $9,700 in interest income. The property tax rate is unlimited.

Worker's Compensation Fund - Income for 2016 includes $2,423,942 in property taxes, $303,140 in interfund transfers from non-property tax funds, and $15,000 in interest income. The property tax rate is unlimited for this purpose.

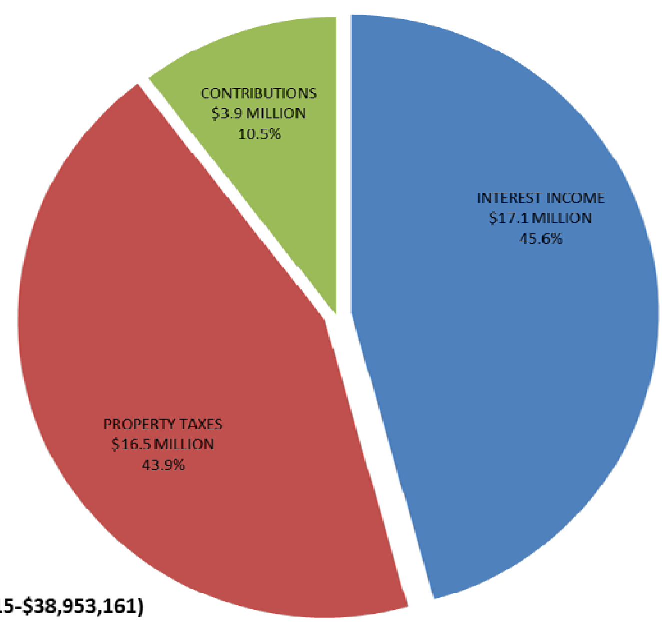
Auditing Fund - This fund is financed by property taxes ($128,060) and interfund transfers from non-general fund units ($63,670). The property tax rate is unlimited for this purpose.

Health Insurance Fund - The City operates a self-insured plan for active employees and retirees. The City's share of $17,630,283 is supplemented by employees and retired employee contributions of $2,366,999.

Risk Management Fund - This fund, used for the payment of claims, judgments, insurance premiums and general self-insured losses, is financed by an unlimited levy ($2,945,640), departmental charges ($1,172,460), and insurance reimbursements ($115,000).

PENSION FUNDS REVENUES – ($37,576,414)
The City operates local pension plans for sworn police and fire officers.

2016 PENSION TRUST FUNDS' REVENUES
$38,953,161



(2015-$38,953,161)

Police Pension Fund - This fund is financed by a contribution from the General Fund (property taxes, $6,881,319 and state replacement taxes, $1,004,250), member contributions ($2,029,200), investment income

($5,350,000), and fair value appreciation ($5,000,000). The interest rate assumption for 2016 is 7.5% (2015 Actual 0.9% earnings).

Fire Pension Fund - This fund is financed by a contribution from the General Fund (property taxes, $7,328,157 and state replacement taxes, $1,297,588), member contributions ($1,885,900) and investment income ($4,800,000), and fair value appreciation ($2,000,000). The interest rate assumption for 2016 is 7.5% (2015 Actual 0.2% earnings).

DEPARTMENT FUNDING MATRIX

The table on the following two pages shows the funds listed in the preceding pages and the City departments that they fund. This matrix helps to illustrate how the financial structure of the City relates to the budgetary units that will be described in more detail in the rest of the budget book.

DEPARTMENT FUNDING

Funds

City Departments	General Fund	Motor Fuel Tax Fund	Sanitation Fund	CD Block Grant Fund	Redevelopment Fund	Tourism-Promotion Fund	TIF Funds	Human Services Fund	Tuberculosis Sanitarium	Library Fund	OTB Fund	Debt Service Funds	Capital Project Funds	Water Fund
Mayor's Office	x													
City Council	x													
Legal Department	x			x									x	
Finance Department	x		x	x	x	x							x	x
Information Technology Department														
Human Resources Department	x													
Board of Elections	x													
CD Administration	x													
CD Business Group				x	x									
CD Redevelopment					x	x								
CD Tourism Promotion						x								
TIF Funds							x							
Planning Division	x						x							
Sanitation Division			x											
Code Enforcement Division	x		x	x										
Building Department	x													
Human Services Department	x							x						
Tuberculosis Sanitarium									x					
Rockford Public Library										x				
Rockford Mass Transit District	x													
Police Department	x													
Fire Department	x													
911 Division	x													
Fire & Police Commissioners	x													
Public Works Administration	x												x	x
Public Works Engineering	x												x	x
Capital Project Fund	x	x											x	x
Motor Fuel Tax Fund		x												
Street Maintenance Division	x		x											
Traffic Division	x	x												
Parking Division	x													
Property Division														
Equipment Division														
Central Supply Division														
Water Division	x													x
Police Pension														
Fire Pension														
IMRF Pension														
Health Insurance														
Unemployment														
Worker's Compensation														
Auditing														
Debt Management												x		
OTB Special Projects											x			
Risk Management														
Workforce Investment Board	x													

DEPARTMENT FUNDING

City Departments	Parking Fund	Property Fund	Equipment Fund	Central Stores Fund	Information Tech Fund	911 Fund	IMRF Fund	Unemployment Fund	Worker's Comp Fund	Auditing Fund	Health Insurance Fund	Risk Management Fund	Police Pension Fund	Fire Pension Fund
Mayor's Office														
City Council														
Legal Department												x		
Finance Department	x											x	x	x
Information Technology Department					x									
Human Resources Department									x		x			
Board of Elections														
CD Administration														
CD Business Group														
CD Redevelopment														
CD Tourism Promotion														
TIF Funds														
Planning Division														
Sanitation Division														
Code Enforcement Division														
Building Department														
Human Services Department														
Tuberculosis Sanitarium														
Rockford Public Library														
Rockford Mass Transit District														
Police Department	x													
Fire Department														
911 Division						x								
Fire & Police Commissioners														
Public Works Administration	x	x	x	x										
Public Works Engineering														
Capital Project Fund														
Motor Fuel Tax Fund														
Street Maintenance Division														
Traffic Division	x													
Parking Division	x													
Property Division		x												
Equipment Division			x											
Central Supply Division				x										
Water Division														
Police Pension													x	
Fire Pension														x
IMRF Pension							x							
Health Insurance											x			
Unemployment								x						
Worker's Compensation									x					
Auditing										x				
Debt Management														
OTB Special Projects														
Risk Management												x		
Workforce Investment Board														

YEAR END FINANCIAL CONDITION

Fund balances for the 2016 budget year ending December 31, 2016 are deemed to be sufficient to insure a healthy financial condition for the City. Of the eighteen funds projected to have year-end deficits, none are considered to be of concern.

Certain funds are project, rather than service oriented. In these funds, the practice can be to appropriate all available funds, current plus certain future amounts, for one or more potential projects. The ten TIF districts with deficits are examples of this. The Redevelopment fund can also be included. All of these project funds should turn positive before their current legal authority ends.

The Risk Management Fund carries deficit due to incurred claim estimates that are adjusted annually. The City has a long term funding plan in place to fund future claims.

The RMAP fund has a temporary deficit due to startup costs. This will be corrected over several years. The Human Services and Parking have short term deficits which will correct. With these actions, these funds should again be in good condition.

CITY OF ROCKFORD, ILLINOIS
SCHEDULE OF ANTICIPATED ENDING FUND BALANCES
2015 BUDGET

FUND	BEGINNING BALANCE 01/01/15	REVENUES	APPROPRIATION	EXCESS (DEFICIT)	ADJUSTMENTS	ENDING BALANCE 12/31/15
GENERAL-OPERATING	$32,168,324	127,815,037	$127,787,411	$27,626		$32,195,950
SPECIAL REVENUE						
MOTOR FUEL TAX	9,040,614	4,513,500	3,996,300	517,200		9,557,814
SANITATION	4,849,350	12,366,950	13,901,555	(1,534,605)		3,314,745
COMMUNITY DEVELOPMENT	833,034	3,531,324	3,526,070	5,254		838,288
REDEVELOPMENT TAX	1,288,496	4,448,000	4,968,094	(520,094)		768,402
TOURISM PROMOTION TAX	306,910	1,700,000	1,700,000	0		306,910
TAX INCREMENT DISTRICTS	(5,889,931)	4,934,722	5,737,367	(802,645)		(6,692,576)
HUMAN SERVICES	865,987	11,698,084	11,674,191	23,893		889,880
TUBERCULOSIS SANITARIUM	111,807	128,124	127,600	524		112,331
LIBRARY	8,377,947	8,492,761	8,745,500	(252,739)		8,125,208
OTB SPECIAL PROJECTS	137,000	92,300	90,000	2,300		139,300
RMAP PLANNING	(243,748)	1,009,873	995,986	13,887		(229,861)
DEBT SERVICE	10,637,585	10,257,157	19,725,203	(9,468,046)	5,563,868	6,733,407
CAPITAL PROJECT	18,915,920	29,870,000	29,870,000	0		18,915,920
ENTERPRISE						
WATER SYSTEM	133,779,197	27,339,250	25,156,321	2,182,929		135,962,126
PARKING SYSTEM	15,506,925	2,543,159	2,762,367	(219,208)		15,287,717
INTERNAL SERVICE						
PUBLIC WORKS PROPERTY	907,882	3,031,843	2,862,893	168,950		1,076,832
PUBLIC WORKS EQUIPMENT	397,342	3,418,390	3,345,306	73,084		470,426
PUBLIC WORKS CENTRAL STORES	256,709	438,150	438,148	2		256,711
911 COMMUNICATIONS	0	5,690,244	5,690,244	0		0
IMRF PENSION	34,844	7,076,276	7,098,957	(22,681)		12,163
UNEMPLOYMENT INSURANCE	223,202	177,500	166,725	10,775		233,977
WORKER'S COMPENSATION	738,994	2,742,342	2,747,150	(4,808)		734,186
AUDITING	0	190,449	191,730	(1,281)		(1,281)
RISK MANAGEMENT	(7,163,356)	4,203,644	4,169,330	34,314		(7,129,042)
INFORMATION TECHNOLOGY	1,516,239	3,856,714	3,599,815	256,899		1,773,138
HEALTH INSURANCE	6,387,768	19,997,282	21,977,900	(1,980,618)		4,407,150
PENSION						
POLICE PENSION	178,430,602	20,264,769	16,290,157	3,974,612	(7,885,569)	174,519,645
FIRE PENSION	158,574,965	17,311,645	17,092,371	219,274	(8,625,745)	150,168,494
ELIMINATIONS & ADJUSTMENTS	0	(91,369,117)	(81,570,766)	(9,798,351)	9,798,351	0
	$526,858,095	$247,770,372	$264,863,925	($17,093,553)	($1,149,095)	$552,747,960

Mayor's Office

MISSION STATEMENT
It is the mission of the Mayor's Office to provide the leadership, initiative, and direction that is necessary to provide quality services to the citizens of Rockford.

PRIMARY FUNCTIONS
The primary function of the Mayor's Office is to provide administrative and policy making functions, as well as to oversee the day-to-day operations for the City of Rockford.

OBJECTIVES FOR FISCAL YEAR 2016
- Continue efforts to cut operational costs through organizational efficiencies.
- Aggressively pursue development opportunities to grow Rockford economy.
- Continue multi-year parking system plan to improve condition and operational effectiveness.
- Implement $8 million in River Edge grants in the downtown area.
- Continue health and wellness initiatives for our City employees and community at large through the creation of the "Healthy Rockford Network."
- Partner with local educational institutions and civic and economic development groups on developing coordinated networks to grow major industry clusters, including healthcare, aerospace, the arts, and the tourism and hospitality industries, arts professionals, and arts supporters to determine how we can leverage our resources to build a world class arts education network.
- Engage and support citizen involvement in City planning and activities.
- Continue the Rockford Area Prisoner Re-entry Network.
- Build and support intergovernmental relationships, collaboration, and advocacy.
- Continue work in establishing opportunities for international trade and economic growth.
- Continue efforts to establish geographic-based police facilities City-wide.
- Consolidate public-sector housing programs under one-stop shop for better outcomes and customer service.
- Continue to pursue state legislative agenda focusing on pension reform, collective bargaining reform, protection of state-disbursed municipal revenues, other pro municipal government legislation, and a new casino for Rockford.

Mayor's Office

MAYOR'S OFFICE BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$512,407	$515,951	$523,238	$514,964	($987)
CONTRACTUAL	147,091	154,920	153,004	149,570	(5,350)
SUPPLIES	13,527	11,650	16,242	10,000	(1,650)
OTHER	0	3,652	3,652	6,456	2,804
CAPITAL	0	26,978	26,978	0	(26,978)
	$673,025	$713,151	$723,114	$680,990	($32,161)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENT	$66,403	$78,247	$77,565	$79,048	$1,483
GENERAL REVENUES	577,072	594,778	635,586	601,942	(33,644)
TOTAL	$643,475	$673,025	$713,151	$680,990	($32,161)

MAYOR'S OFFICE AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
MAYOR	ELECTED	1.00	1.00	0.00
CITY ADMINISTRATOR	212	1.00	1.00	0.00
EXECUTIVE COORDINATOR TO THE MAYOR	108	1.00	1.00	0.00
SR. ADMINISTRATIVE ASSISTANT	105	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT	101	0.00	0.00	0.00
TOTAL PERSONNEL		**4.00**	**4.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel budget numbers reflects a 2% wage adjustment for staff offset by a reduction in temporary staffing and health insurance.
- Contractual expenses decrease primarily due to decreases in purchase of services.
- Estimated lease payments for vehicle payments in 2016 are budgeted at $6,456.

CAPITAL EQUIPMENT

There are no capital items budgeted for the Mayor's Office in 2016.

City Council

MISSION STATEMENT

It is the mission of the City Council, in conjunction with the Mayor, to serve as the legislative and policymaking body of the City of Rockford.

PRIMARY FUNCTIONS

The primary function of the City Council is to act as the legislative body for the City of Rockford.

OBJECTIVES FOR FISCAL YEAR 2016

- Use the City-level strategies - create a livable community, engage citizens in improving education and reducing crime, investing in infrastructure, and becoming a more customer-focused, productive organization - to work towards achieving the Council's five community objectives: increase economic activity, reduce crime, increase living wage jobs, create a qualified, educated workforce, and create vibrant neighborhoods.

CITY COUNCIL BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$325,369	$355,521	$347,734	$350,599	($4,922)
CONTRACTUAL	212,197	209,940	172,764	211,260	1,320
SUPPLIES	4,238	2,900	4,114	2,900	0
TOTAL	$541,804	$568,361	$524,612	$564,759	($3,602)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSE	$34,664	$34,242	$34,389	$34,591	$202
GENERAL REVENUES	476,724	507,562	533,972	530,168	(3,804)
TOTAL	$511,388	$541,804	$568,361	$564,759	($3,602)

CITY COUNCIL AUTHORIZED POSITIONS

	POSTION RANGE	**2015 EMPLOYEES**	**2016 EMPLOYEES**	**INCREASE/ (DECREASE)**
POSITION TITLE	ELECTED	14.00	14.00	0.00
TOTAL PERSONNEL		**14.00**	**14.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel numbers reflect decreases in health insurance premiums.
- Contractual increase as a result increases in usage fees for IPads.

Legal Department

MISSION STATEMENT
It is the mission of the Legal Department to act as the legal representative for the City of Rockford, its officers, and its employees.

PRIMARY FUNCTIONS
The primary function of the Legal Department is to provide a variety of legal services for administrative issues, legislative issues, land acquisition programs, and support the City's EEO and diversity procurement functions.

OBJECTIVES FOR FISCAL YEAR 2016
- Support Community and Economic Development Department through effective drafting and review of development and incentive agreements.
- Increase living wage jobs by continuing expansion of Minority Procurement Policy to include workforce data.
- Promote and support the utilization of the City Council eAgenda and docketing system.
- Stewardship of the Elected and Appointed Officials Open Meetings Act Training, Open Meetings Act compliance and Freedom of Information Act compliance.
- Support code enforcement, landlord tenant registry programs and neighborhood associations.
- Pursue right of way acquisition for infrastructure improvement projects.
- Expand demolition initiatives with not-for-profit partners and end use strategies for post demolition properties through foreclosures.
- Support the City's direct lobbying efforts and the Illinois Municipal League legislative initiatives.
- Maintain efficient services and control costs through support of labor negotiations.
- Manage internal and external litigation matters and continue integration of third party claims processes.
- Increase efficiency and revenues from code enforcement through expansion of administrative hearing process.
- Support transition to geographic policing.
- Reduce crime by effective ordinance adoption and enforcement and support of parolee and probationer re-entry initiatives.
- Re-establish annual negotiation of animal control services intergovernmental agreement and reduction of City costs for animal services.

Legal Department

LEGAL DEPARTMENT BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$1,285,138	$1,358,467	$1,331,734	$1,271,264	($87,203)
CONTRACTUAL	289,268	283,990	277,758	326,302	42,312
SUPPLIES	18,194	24,450	21,212	20,500	(3,950)
TOTAL	$1,592,600	$1,666,907	$1,630,704	$1,618,066	($48,841)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENT	$187,087	$201,541	$189,966	$179,640	($10,326)
MAGISTRATE FINES	484,068	275,000	180,000	180,000	-
PURCHASE OF SERVICES	701,700	743,844	792,931	725,952	(66,979)
GENERAL REVENUES	190,526	372,215	504,011	532,474	28,464
TOTAL	$1,563,381	$1,592,600	$1,666,907	$1,618,066	($48,841)

LEGAL DEPARTMENT AUTHORIZED POSITIONS

POSITION TITLE	POSITION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
LEGAL DIRECTOR	316	1.00	1.00	0.00
CITY ATTORNEY	213	2.00	2.00	0.00
LAND TRANSACTIONS OFFICER	108	1.00	0.00	(1.00)
ASSISTANT CITY ATTORNEY I	108	3.00	3.00	0.00
DIVERSITY PROCUREMENT OFFICER	108	1.00	1.00	0.00
CITY COUNCIL CLERK	105	0.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	102	4.00	3.00	(1.00)
OFFICE ASSISTANT	101	1.00	1.00	0.00
TOTAL PERSONNEL		**13.00**	**12.00**	**(1.00)**

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage adjustment for staff and reduction of land acquisition position.
- Contractual increased $42,312 primarily due to increase in professional legal fees.
- Supplies decrease $3,950 due to decrease in office supplies and computer purchases.

Legal Department

LEGAL DEPARTMENT PERFOMANCE MEASUREMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
CLAIMS FILED	641	600	300	450
CLAIMS APPROVED	24	35	25	35
$ VALUE OF APPROVED CLAIMS	48,648	52,500	40,000	50,000
AVG DAYS TO APPROVE CLAIMS	41	40	40	40
CLAIMS DENIED	617	565	275	415
AVG DAYS TO DENY CLAIMS	38	40	30	35
AVG DAYS TO INVESTIGATE CLAIMS	N/A	20	20	20

Finance Department

MISSION STATEMENT

It is the mission of the Finance Department to account for all municipal resources and to apply such resources in a manner that is most beneficial to the citizens of Rockford.

PRIMARY FUNCTIONS

There are five primary operating functions within the Finance Department:

- **Administration -** The Administration division is responsible for the management of the financial affairs of the city and the supervision of personnel operations within the Finance Department.
- **Central Services** - The Central Services division is responsible for financial planning, risk management, centralized purchasing, and mail/printing services for the City.
- **Accounting -** The purpose of the Accounting division is to provide financial reporting, payroll processing, accounts payable and receivable, fixed asset reporting, special tax collections, billing, and auditing functions.
- **Revenue -** The purpose of the Revenue Division is to manage the police and fire pension funds, ensure payment to retirees is processed, and invest idle City funds.
- **Customer Service Center -** The purpose of the Customer Service Division is to collect various revenues, perform meter reading services, and handle customer calls for City Departments.

OBJECTIVES FOR FISCAL YEAR 2016

- Achieving the Distinguished Budget Presentation Award for the 32nd consecutive year and the Certificate of Achievement for Excellence in Financial Reporting for the 36th consecutive year from the Government Finance Officer's Association.
- Implement applicable Governmental Accounting Standards Board (GASB) statements in order to stay in compliance with Generally Accepted Accounting Practices.
- Implement a single log in to access multiple billing accounts with the same owner and make one payment for all accounts.
- Complete 2015 pension fund audits and transmit the audited information to the actuary by April 30th.
- Continue the process of bringing remaining staff on the City's electronic timekeeping system.

FINANCE DEPARTMENT BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$2,873,728	$2,971,333	$2,962,730	$2,802,860	($168,473)
CONTRACTUAL	1,115,804	1,130,942	1,059,173	1,099,729	(31,213)
SUPPLIES	41,125	34,000	16,121	31,350	(2,650)
OTHER	2,854,872	4,089,874	4,147,891	3,483,791	(606,083)
TOTAL	$6,885,529	$8,226,149	$8,185,915	$7,417,730	($808,419)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS	$266,316	$275,381	$264,597	$249,446	($15,151)
PURCHASE OF SERVICES	2,840,472	2,724,732	2,766,150	2,573,176	(192,974)
GENERAL REVENUES	3,952,395	3,885,416	5,204,412	4,595,108	(609,304)
TOTAL	$7,309,183	$6,885,529	$8,235,159	$7,417,729	($817,430)

Finance Department

FINANCE DEPARTMENT AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
FINANCE DIRECTOR	316	1.00	1.00	0.00
CENTRAL SERVICES MANAGER	212	1.00	1.00	0.00
ACCOUNTING MANAGER	111	1.00	1.00	0.00
REVENUE MANAGER	110	1.00	0.00	(1.00)
SENIOR ACCOUNTANT	110	2.00	2.00	0.00
CUSTOMER SERVICE COORD	108	1.00	1.00	0.00
FINANCIAL ANALYST	107	3.00	3.00	0.00
ACCOUNTANT	107	3.00	3.00	0.00
SENIOR ADMIN. ASSISTANT	105	1.00	1.00	0.00
ACCOUNTING TECHNICIAN	105	1.00	1.00	0.00
PURCHASING TECHNICIAN	A-23	2.00	2.00	0.00
SENIOR ACCOUNT CLERK	A-21	4.00	3.00	(1.00)
CSC TEAM LEAD	A-21	4.00	4.00	0.00
CUSTOMER SERVICE REP	A-20	8.00	9.00	1.00
METER READER	A-19	2.00	2.00	0.00
ACCOUNT CLERK	A-19	1.00	1.00	0.00
TOTAL PERSONNEL		**36.00**	**35.00**	**(1.00)**

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect 2% wage adjustment for all staff offset by reductions in salaries as a result of higher scale staff vacating and replaced with entry level staff and the elimination of the Revenue Manager position.
- Service contracts decreased $37,223 due to decreases in internal service charges.
- Supplies decreased $2,650 as a result of reductions in equipment purchases.
- Miscellaneous contracts increased $50,173 due to an increase in Winnebago Animal Control contract.
- Sales Tax Rebates increased $523,400 as a result of the new Meijer's Store.
- Transfer to CIP decreased $1,000,000 due to decreased project costs for storm water improvements.
- Of the 35 staff assigned to Finance Department, 24.9 are direct reimbursements.

Finance Department

FINANCE DEPARTMENT PERFORMANCE MEASUREMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
TOTAL BILLS	622,771	622,000	624,058	624,000
PAPER	521,789	612,000	508,707	505,000
EBILL	100,982	110,000	115,351	115,000
CITY HALL PAYMENTS	85,984	84,000	157,896	158,000
WALK IN	63,694	65,000	124,365	125,000
MAIL	22,290	19,000	33,531	33,000
REMITCO	-	-	253,588	262,000
ONLINE BANKING	-	-	99,626	100,000
ONLINE LEVEL ONE	-	-	126,961	127,000
PHONE	-	-	56,004	56,400
COMED	-	-	9,988	10,000
CUSTOMER SERVICE CENTER CALLS	88,844	125,000	80,656	80,000
ABANDONED CALLS	10.0%	10.0%	4.0%	6.0%
AVG TIME TO ANSWER CALLS (SECONDS)	56.0	60	28.0	40
AVG CALL LENGTH (SECONDS)	136	145	175	170
NUMBER OF PURCHASE ORDERS ISSUED	3,898	4,000	4,400	4,200
NUMBER OF BIDS/RFPS ISSUED	165	170	160	165

Information Technology Department

MISSION STATEMENT

The Mission of Information Technology is to support the objectives of the Mayor, City Council, and Department Heads by providing technical leadership in Information Technology planning, implementation, and support.

PRIMARY FUNCTIONS

- Provide technical service and support to City employees, enabling them to work efficiently and effectively.
- Ensure the safety and integrity of the City's data and network.
- Provide technical leadership and direction for projects requiring Information Technology support.

OBJECTIVES FOR FISCAL YEAR 2016

- Develop a disaster recovery program.
- Support the move to district policing.
- Implement an asset management program for signs, signals, and storm water.
- Support efforts for increased compliance and enforcement of the Residential Quality Support Ordinance.

INFORMATION TECHNOLOGY BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
PERSONNEL	$476,914	$536,432	$547,600	$579,236	$42,804
CONTRACTUAL	2,027,093	2,283,932	2,218,966	2,382,179	98,247
SUPPLIES	108,497	79,500	119,314	73,000	(6,500)
OTHER	421,369	508,800	510,800	565,400	56,600
TOTAL	$3,033,873	$3,408,664	$3,396,680	$3,599,815	$191,151

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
GENERAL FUND TRANSFERS	$2,140,940	$2,638,857	$2,637,010	$2,594,560	($42,450)
OTHER FUND TRANSFERS	677,203	689,183	929,260	1,262,154	332,894
TOTAL	$2,818,143	$3,328,040	$3,566,270	$3,856,714	$290,444

INFORMATION TECHNOLOGY AUTHORIZED POSITIONS

	POSITION	**2015**	**2016**	**INCREASE/**
POSITION TITLE	**RANGE**	**EMPLOYEES**	**EMPLOYEES**	**(DECREASE)**
IT DIRECTOR	315	1.00	1.00	0.00
SENIOR IT SPECIALIST	109	2.00	2.00	0.00
IT SPECIALIST	109	1.00	1.00	0.00
COMMUNICATIONS MGR	111	1.00	1.00	0.00
TOTAL PERSONNEL		**5.00**	**5.00**	**0.00**

Information Technology Department

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage increase and staff adjustments.
- Contractual increased $98,247 in office equipment maintenance as a result of new VOIP phone system and education for required certifications.
- Supplies decreased $6,500 in computer noncapital.
- Depreciation increased $48,500 and purchase of services increased $6,100.

INFORMATION TECHNOLOGY FIVE YEAR FORECAST

The 2017-2021 forecasts assume operations will continue as they are programmed for 2016 and that costs will increase annually. Budgets are developed so funds are annually available for fixed assets. Since this is an internal service fund, charges will recover expenditures.

	2017	2018	2019	2020	2021
Revenues	$4,011	$4,171	$4,338	$4,512	$4,692
Expenditures	3,744	3,894	4,050	4,212	4,380
Excess (Deficit)	267	277	288	300	312
Beginning Balance	874	1,141	1,418	1,706	2,006
Ending Balance	$1,141	$1,418	$1,706	$2,006	$2,318

INFORMATION TECHNOLOGY FIXED ASSETS

Planned fixed assets include network upgrades, a document retention site, server replacement, and storage upgrades for 2016:

DESCRIPTION	TOTAL BUDGET
Disaster Recovery Site	400,000
Network Upgrade	25,000
Server Replacement	30,000
Miscellaneous	75,000
TOTAL	$530,000

INFORMATION TECHNOLOGY FUND PERFORMANCE MEASUREMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
SERVER AVAILABILITY	99.990%	99.990%	99.970%	99.990%
% WITHIN TARGET	85.000%	90.000%	86.400%	90.000%
NETWORK AVAILABILITY	99.890%	99.990%	99.910%	99.990%
% WITHIN TARGET	45.000%	90.000%	77.010%	90.000%
WORKORDERS OPENED	8,547	8,500	8,427	8,500
WORKORDERS CLOSED	8,381	8,000	8,364	8,500

Human Resources Department

MISSION STATEMENT

The mission of the Human Resources Department is to support the goals and challenges of The City of Rockford by providing services which promote a work environment that is characterized by fair treatment of employees, open communications, personal accountability, trust and mutual respect. We will seek and provide solutions to workplace issues that support and optimize the operating principles of The City of Rockford.

PRIMARY FUNCTIONS

The primary function of the Human Resources Department is to proactively manage employee relations, to work cooperatively with management and staff to develop a strong leadership team, administer the City's benefit program, recruit and interview job applicants, develop and implement employee training programs, coordinate employee activities and maintain personnel files.

OBJECTIVES FOR FISCAL YEAR 2016

- Improve recruiting methodology beyond advertising to tools that allow for better outreach and encourage a stronger applicant pool.
- Develop a recruitment process to encourage more minority and woman applicants.
- Improve management and employee skill set through the revitalization of City University Training Program.
- Enhance new employee orientation to include stronger organizational and value integration.
- Utilize annual evaluations, surveys, and additional feedback tools to identify technical, and management and supervisory skill gaps for curriculum development.
- Implement Munis enterprise software to coordinate training schedules, enrollment, and to maintain training records.
- Offer the highest level of customer service through improved efficiencies and communications.
- Implement Human Resources Information System to offer greater record keeping, hiring, compensation, and employee history practices.
- Conduct quarterly customer service surveys and an annual employee feedback survey to better gauge the needs of the organization.
- Conduct bi-annual salary analysis and adjust the compensation program accordingly.
- Monitor the CORWellness Center to report return on investment and defined, appropriate performance measurements.
- Establish strategic growth plan for CORWellness Center integrating employee and community needs into the further development of the site.
- Develop core values and a three-year strategic plan for the Human Resource Department.
- Focus on cost savings in health benefits through a rigorous request for proposals process for a new third party administrator.
- Continue to partner with employee Wellness Group to proactively plan the 2016 Wellness agenda.
- Establish a management-training program that focuses on competencies specific for the success in each position.
- Establish a mentoring program to encourage professional development for city employees.

Human Resources Department

HUMAN RESOURCES DEPARTMENT BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$528,505	$539,044	$535,790	$510,672	($28,372)
CONTRACTUAL	121,169	140,640	146,881	128,744	(11,896)
SUPPLIES	7,348	9,550	2,389	3,100	(6,450)
TOTAL	$657,022	$689,234	$685,060	$642,516	($46,718)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENT	$81,345	$81,603	$79,775	$76,865	($2,910)
TRANFERSFROM HEALTH FUND	174,020	165,500	181,460	158,060	(23,400)
TRANSFER FROM WC FUND	92,400	85,900	91,400	95,300	3,900
GENERAL REVENUES	312,711	324,019	336,599	312,291	(24,308)
TOTAL	$660,476	$657,022	$689,234	$642,516	($46,718)

HUMAN RESOURCES DEPARTMENT AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
HUMAN RESOURCES DIRECTOR	315	1.00	1.00	0.00
ASSOCIATE DIRECTOR	212	1.00	1.00	0.00
HR SPECIALIST	107	1.00	2.00	1.00
HR COORDINATOR	106	1.00	1.00	0.00
HR GENERALIST	106	1.00	0.00	(1.00)
TOTAL PERSONNEL		**5.00**	**5.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage adjustment for all staff offset by savings due to the retirement of higher paid staff filled with entry level position.
- Contractual expenses decreased $11,896 primarily due to reductions in medical and education.
- Supplies decreased $6,450 primarily due to the elimination of food expenses.

Human Resources Department

HUMAN RESOURCES DEPARTMENT PERFOMANCE MEASURMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
APPLICATIONS	2,773	2,900	1,273	2,500
VACANCIES FILLED	68	75	55	60
WORKER'S COMP CLAIMS	249	200	201	200
WORKER'S COMP LOST DAYS	838	700	951	800
TRAINING SESSIONS	16	24	30	25
HEALTH INSURANCE PARTICIPANTS	2,914	1,200	2,895	2,900
FLEX SPENDING PARTICIPANTS	399	350	327	350

Board of Election Commissioners

MISSION STATEMENT

It is the mission of the Board of Election Commissioners to conduct elections and voter registration in the most efficient and accessible manner possible to the public.

PRIMARY FUNCTIONS

The primary function of the Board of Election Commissioners is to conduct all elections held within the City of Rockford, to provide registration opportunities for City residents, and to maintain a system of permanent registration of voters.

	FEBRUARY/ MARCH PRIMARIES	APRIL CONSOLI- DATED	GENERAL/ NON- PARTISAN
2009			
Registered Voters	86,954	87,357	
Cast Ballots	3,530	22,408	
Participation Rate	4.06%	25.65%	
2010			
Registered Voters	87,357		
Cast Ballots	12,508		
Participation Rate	14.32%		
2011			
Registered Voters		86,110	
Cast Ballots		12,536	
Participation Rate		14.56%	
2012			
Registered Voters	89,005		
Cast Ballots	20,244		
Participation Rate	22.74%		
2013			
Registered Voters	37,791	87,073	
Cast Ballots	1,726	19,322	
Participation Rate	4.57%	22.19%	
2014			
Registered Voters	81,980		76,685
Cast Ballots	11,939		35,310
Participation Rate	14.56%		46.05%
2015			
Registered Voters		78,276	
Cast Ballots		4,774	
Participation Rate		6.10%	

Board of Election Commissioners

OBJECTIVES FOR FISCAL YEAR 2016

- Conduct a Consolidated Primary Election in March.
- Conduct a General Election in November.
- Perform training for deputy registrars as appointed.
- Train and certify over 450 election judges.
- Implement new voting technology at polling places on election day.
- Register voters and maintain voter registrations per State law.

BOARD OF ELECTIONS BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$311,228	362,919	$267,870	$422,633	$59,714
CONTRACTUAL	512,804	210,433	450,296	354,706	144,273
SUPPLIES	0	51,400	0	51,400	0
CAPITAL	0	25,000	0	330,000	305,000
TOTAL	$824,032	$649,752	$718,166	$1,158,739	$508,987

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
COUNTY PROP TAX TRANSFER	822,421	824,032	649,752	1,158,739	508,987
TOTAL	$822,421	$824,032	$649,752	$1,158,739	$508,987

BUDGET HIGHLIGHTS

- Personnel increased $59,714 as a result additional temporary staff.
- Contractual expenses increased $144,273 as a result of higher anticipated printing costs.
- Capital increased $305,000 primarily due to additional equipment needed for Express Vote Automark.

CAPITAL EQUIPMENT

Planned capital purchases for 2016 include:

DESCRIPTION	TOTAL BUDGET
Express Voter automark	275,000
Poll Books	55,000
TOTAL	330,000

Community and Economic Development Administration

MISSION STATEMENT

It is the mission of Community and Economic 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 and Economic Development.

OBJECTIVES FOR FISCAL YEAR 2016

- Facilitate implementation of commercial corridor plans inclusive of North and South Main Street, West State Street, Kishwaukee Street and 11th Street.
- Pursue alternative funding opportunities consistent with City initiates to leverage existing resources for demolition and housing rehabilitation for neighborhood stabilization efforts.
- Collaborate with community partners to facilitate community goals through Rockford Community Partners, CVB, RAEDC and others utilizing collective impact model.
- Recruit investment in underserved areas of the City of Rockford for job creation, retention and expansion opportunities.
- Oversee and facilitate the Community and Economic Development Department goals as outlined within the budget and directed by City Council inclusive of the 2015-2019 2020 Implementation Plan and Consolidated Plan.

COMMUNITY AND ECONOMIC DEVELOPMENT ADMINISTRATION BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$174,720	$196,710	$202,348	$197,692	$982
CONTRACTUAL	48,304	32,970	35,987	34,576	1,606
SUPPLIES	808	1,420	948	1,420	0
OTHER	3,228	2,344	2,344	4,144	1,800
TOTAL	$227,060	$233,444	$241,627	$237,832	$4,388

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS	$33,700	$30,077	$29,115	$29,654	$539
GENERAL REVENUES	164,941	196,983	204,329	208,178	3,849
TOTAL	$198,641	$227,060	$233,444	$237,832	$4,388

COMMUNITY AND ECONOMIC DEVELOPMENT ADMINISTRATION AUTHORIZED POSITIONS

POSITION TITLE	**POSTION RANGE**	**2015 EMPLOYEES**	**2016 EMPLOYEES**	**INCREASE/ (DECREASE)**
DIRECTOR	315	1.00	1.00	0.00
SENIOR ADMIN ASSISTANT	105	0.50	0.50	0.00
TOTAL PERSONNEL		**1.50**	**1.50**	**0.00**

Community and Economic Development Administration

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage increase.
- Contractual expenses increase slightly as a result of purchase of services.
- A $4,144 transfer to Capital Fund is budgeted for lease payments for vehicles.

CAPITAL EQUIPEMENT

There are no capital items budgeted for 2016.

Planning Division

MISSION STATEMENT

It is the mission of the Planning Division is to encourage the redevelopment of underutilized industrial and commercial sites by preparing these sites for redevelopment and reuse, thereby enhancing the quality of life in nearby neighborhoods. The Planning Division also strives to improve quality of life by providing quality neighborhood planning, corridor planning, and redevelopment planning services, especially the implementation of those plans.

PRIMARY FUNCTIONS

The primary functions of the Planning Division are administering environmental assessment, cleanup and redevelopment of City-owned Brownfield sites, assisting with the adaptive reuse of existing City-owned structures by preparing comprehensive request for proposal documents and securing environmental cleanup funding through various brownfield funding programs. In addition to these redevelopment efforts, the Planning Division is responsible for developing various long-range planning implementation programs which include the River Edge initiative, focus area/neighborhood plans, corridor plans and the implementation of the recommendations of the 20/20 Plan. The Planning Division also manages, coordinates, or assists with numerous major projects occurring within the City of Rockford.

OBJECTIVES FOR FISCAL YEAR 2016

- Prepare future sites and support facility developments for construction by implementing the USEPA Assessment Grant and USEPA Revolving Loan Fund.
- Complete the closeout of the Depot and Lorden/Eclipse Cleanup Grants, completed during the fall of 2015, which prepared these sites (totaling 5 acres) for redevelopment.
- Continue to implement the USEPA RLF Program to fund the environmental component of the UW Health Sports Factory development. The environmental component of this project is now approved at $1.8 million.
- Through the USEPA and Illinois EPA Brownfields Program, secure funding for additional environmental assessment work at the new Amtrak Station site, other downtown sites, other City-owned sites and the West State Corridor.
- Prepare quarterly reports and other required reporting for the USEPA Cleanup grants, USEPA Revolving Loan Program, and the new USEPA Brownfield Assessment Grant; prepare grant applications for additional funding and grant amendment applications to reprogram RLF funds.
- Working with the Finance Department, oversee the timely drawdown of the USEPA Funds
- Develop place-based strategies for the four remaining Planning Areas, utilizing the goals, strategies, objectives and tactics identified in the updated 2020 Plan.
- Begin the implementation of the Strategic Action Plan for the Central Planning Area focusing on the Lean and Tactical strategies identified in the approved Plan.
- Assist in the removal and or reuse of blighted and underutilized properties, especially industrial sites, including identifying funding sources.
- Initiate 11th Street redevelopment efforts with Community Partners. Focus on the creation of business development district.
- Through the National Development Council (NDC), continue technical assistance to develop Section 108 loan guarantee program applications to HUD for future large development projects.
- Implement an action plan in conjunction with SWIFTT derived from the South Main Revitalization Strategy to further advance redevelopment along South Main.
- Complete two Façade / Rehabilitation Projects in the South Main business corridor and in the North Main/Auburn area.

Planning Division

- Continue the implementation of the tax increment financing (TIF) policy statement as approved by City Council.
- Complete annual TIF report.
- Utilize GIS interns to complete a ranking system for the state of readiness for infill commercial and industrial properties.
- Utilize interns and Rockford Area Economic Development Council staff to develop digital/printed marketing material for prime industrial and commercial sites.
- Advance the state of readiness for medium and large industrial Greenfield sites with and without rail access.

PLANNING DIVISION BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$433,014	$517,521	$528,149	$536,491	$18,970
CONTRACTUAL	115,678	105,590	104,000	107,916	2,326
SUPPLIES	1,797	1,970	3,975	2,030	60
OTHER	3,006	2,183	2,183	3,859	1,676
TOTAL	$553,495	$627,264	$638,307	$650,296	$23,032

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES REIMBURSEMENTS	$67,523	$78,352	$76,734	$80,765	$4,031
CDBG FUND	120,510	126,024	125,460	140,950	15,490
TIF FUNDS	217,200	219,119	242,800	244,400	1,600
ZONING FEES	120,000	120,000	140,000	130,000	(10,000)
OTHER GOVERNMENTS(RATS)	10,000	10,000	10,000	10,000	0
GENERAL REVENUES	0	0	32,270	44,181	11,911
TOTAL	$535,233	$553,495	$627,264	$650,296	$23,032

PLANNING DIVISION AUTHORIZED POSITIONS

POSITION TITLE	**POSTION RANGE**	**2015 EMPLOYEES**	**2016 EMPLOYEES**	**INCREASE/ (DECREASE)**
PLAN & ZONING PROGRAMS MANAGER	110	1.00	1.00	0.00
INDUSTRIAL DEVELOPMENT MANAGER	212	1.00	1.00	0.00
PLANNER II	212	1.00	1.00	0.00
DEVELOPMENT SPECIALIST	109	1.00	1.00	0.00
SR ADMINISTRATIVE ASSISTANT	105	0.30	0.50	0.20
TOTAL PERSONNEL		**4.30**	**4.50**	**0.20**

Planning Division

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage increase for all staff.
- Contractual expenses increase due to purchase of service increases.
- A $3,859 transfer to Capital Fund is budgeted for vehicle lease payments.

CAPITAL EQUIPMENT

No capital equipment is planned for 2016.

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, plumbing, and electrical inspections for all existing and new construction, as well as administering land use planning and zoning policies, annexation, historic preservation, building and property maintenance code enforcement.

OBJECTIVES FOR FISCAL YEAR 2016

- Continue to modify and streamline online permitting system to make customer friendly improvements and integrate with work processes.
- Manage and implement cost recovery for Building and Planning Section of Construction and Development Services Division.
- Facilitate development activities through positive customer service.
- Continue to increase Code Enforcement performance measurement efficiencies.
- Evaluate and modify as necessary the business and reporting practices of Neighborhood Standards.
- Support development and re-development efforts that facilitate community goals.
- Lead Problem Properties Team to develop and implement methods and systems to remove blight.
- Develop and implement processes for Property Standards to help recover costs associated with inspection protocol and hearings.
- Continue to increase the number of demolitions by modifying and implementing new policies and procedures.
- Work with City team to develop new website.
- Increase proactive public education including press releases, brochures and through Construction and Development Service website.
- Adopt and enforce 2015 building codes in conjunction with Winnebago County.
- Coordinate process improvement with the Fire Department for inspections, plan reviews, and other activities.
- Complete annexation process improvement including reassembling an annexation team.
- Complete Special Use Permit, Liquor Advisory Board, Zoning Board of Appeals, and Inspection process for compliance of conditions and meeting requirements.
- Continue to create opportunities for rehabilitation and help to develop and maintain vacant property databases.
- Work within the department to help reduce number of absentee-ownership properties.
- Work with Police department to continue Neighborhood “sweeps” for Code Enforcement Activity.
- Continue to hold Rockford Redevelopment Group Meetings and support Business First.
- Implement deconstruction as an alternative or in conjunction with traditional demolition.
- Automate property standards code hearing docket and violation reports.
- Engage in community and neighborhood association events and meetings.
- Complete unification of plan review process among all departments.
- Continue improving our codes and regulations to facilitate cost effective sustainable development.

Construction & Development Services Division

- Create fine reduction policy and fining strategy.
- Continue to pursue vacant property registration.
- Improve rental registry prosecution, cost recovery, and compliance.

CONSTRUCTION & DEVELOPMENT SERVICES DIVISION BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
PERSONNEL	$1,837,012	$1,993,127	$1,975,419	$2,191,577	$198,450
CONTRACTUAL	1,088,232	1,166,710	1,177,480	761,792	(404,918)
SUPPLIES	12,702	26,050	26,382	7,650	(18,400)
OTHER	0	24,987	24,987	44,171	19,184
CAPITAL	0	71,000	71,000	0	(71,000)
TOTAL	$2,937,946	$3,281,874	$3,275,268	$3,005,190	($276,684)

FUNDING SOURCE	2013	2014	2015	2016	INCREASE
PROPERTY TAXES	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
FRINGE BENEFIT REIMB	$353,761	$364,895	$336,286	$348,055	$11,769
FEES					
BUILDING	711,245	703,500	653,000	610,000	(43,000)
ELECTRICAL	40,837	40,000	45,000	40,000	(5,000)
PLUMBING/HEATING	160,392	170,000	170,000	150,000	(20,000)
CODE VIOLATION FEES	4,525	10,000	5,000	1,000	(4,000)
NH ZONING FINES	175,935	170,000	150,000	140,000	(10,000)
PARKING ZONING FINES	21,195	20,000	15,000	15,000	0
ALL OTHER	198,940	195,500	250,000	270,300	20,300
TOTAL FEES	1,305,600	1,309,000	1,288,000	1,226,300	(61,700)
CDBG FUND REIMB	570,260	570,260	570,260	570,260	0
SANITATION REIMB	293,782	387,719	564,342	214,960	(349,381)
GENERAL REVENUES	320,330	396,532	522,986	645,615	122,628
TOTAL	$2,843,733	$3,028,406	$3,281,874	$3,005,190	($276,684)

Construction & Development Services Division

CONSTRUCTION & DEVELOPMENT SERVICES DIVISION AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
DEPUTY DIRECTOR - CONST SERVICES	315	0.00	0.00	0.00
MANAGER BUILDING CODE SECTION	213	1.00	0.00	(1.00)
BUILDING CODE OFFICIAL	213	0.00	1.00	1.00
ZONING AND LAND USE ADMINISTRATOR	110	1.00	1.00	0.00
PROP IMPROVEMENT PROGRAM MGR	108	1.00	0.00	(1.00)
NEIGHBORHOOD STANDARDS SUPERVIOR	108	0.00	1.00	1.00
BUILDING AND CODE EXAMINER	108	1.00	1.00	0.00
NHOOD ZONE COORDINATOR	107	0.00	1.00	1.00
SENIOR ADMINISTRATIVE ASSISTANT	105	1.20	1.00	(0.20)
ADMINISTRATIVE ASSISTANT	102	1.00	1.00	0.00
SENIOR INSPECTION OFFICER	CD-28	3.00	2.00	(1.00)
INSPECTION OFFICER	CD-26	4.00	5.00	1.00
LAND USE PLANNER	CD-16	2.00	2.00	0.00
NHOOD ENFORCEMENT SPECIALIST	CD-15	5.00	5.00	0.00
SENIOR CLERK	A-19	4.00	3.00	(1.00)
SECRETARY	A-19	0.00	1.00	1.00
TOTAL PERSONNEL		**24.20**	**25.00**	**0.80**

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage increase for all staff and addition of Neighborhood Zone Coordinator position.
- Contractual expenses decreased $404,918 primarily due to decrease in demolitions and reductions to internal service contracts.
- Estimated lease payments for capital payments in 2016 are budgeted at $44,171.

CAPITAL EQUIPMENT

There are no capital purchases budgeted for 2016.

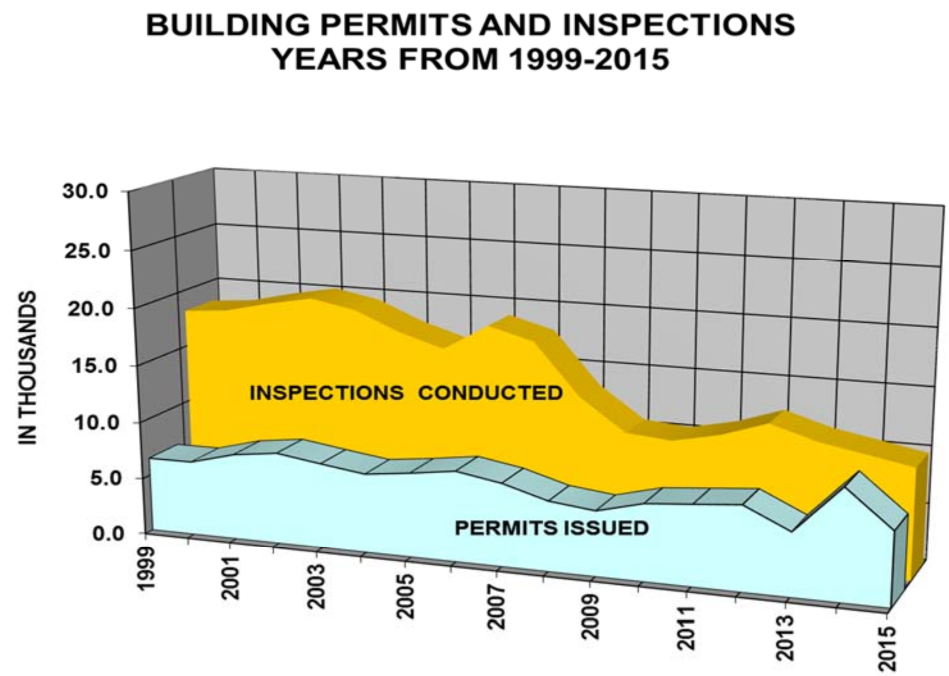
Construction & Development Services Division

CONSTRUCTION & DEVELOPMENT SERVICES PERFORMANCE MEASUREMENTS

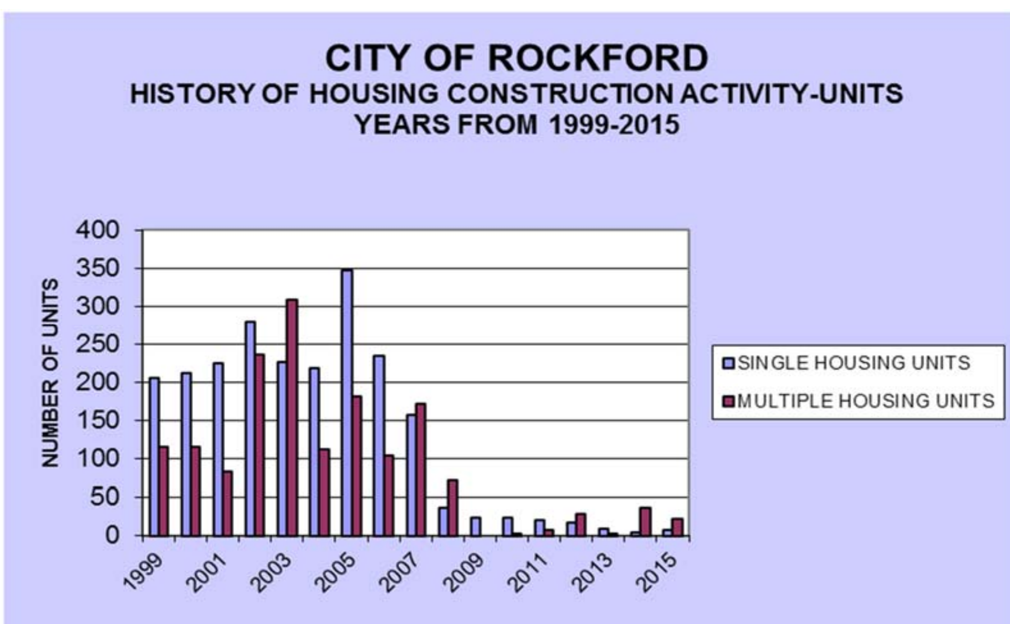
	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
Property Standards				
# P.S. Inspections	2,294	3,490	NR	3,000
# P.S. Complaints	750	900	952	900
Avg # Days to 1st Insp	2	2	NR	2
# Order to Repair	430	590	NR	500
Avg #Dys Insp. to OTR	4	5	NR	5
# Condemnations	214	357	358	350
# Condemns Lifted	199	102	183	200
# Emergency Demos	13	7	4	5
Total # Demos by City	100	100	74	100
Neighborhood Standards				
# N.S. Complaints	4,482	3,874	3,280	3,900
Unfounded Complaints	1,619	1,488	1,074	1,350
Proactive Cases	3,693	7,335	5,950	4,800
# Zoning Cases Started	1,124	1,875	1,898	1,500
# Nuisance Cases Started	5,696	6,708	5,400	5,550
% Rate of Voluntary Compliance	60.30%	59%	66%	70%
Avg # Days to Voluntary Compliance	18	36	21	20
% Rate of Induced Compliance	9.70%	24%	11%	25%
Avg # Days to Induced Compliance	46	123	52	50
% Rate of Forced Compliance	30%	17%	23%	17%
Avg # Days to Forced Compliance	28	54	33	30

Construction & Development Services Division

CONSTRUCTION & DEVELOPMENT SERVICES OPERATIONAL INFORMATION



During the past seventeen years, total permits issued by the Construction & Development Services Division have been slowly increasing. Permits issued in 1999 were 6,520 while 2015 was 6,463.



Housing construction for single and multifamily units in 2014 was 5 and 37 for a total of 42. 2015 had altered levels of activity, with 8 single family units and 22 multifamily.

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 four different areas of focus:

- **Community Development Block Grant (CDBG) Administration -** Staff performs the day to day administration required for overall program management, coordination, monitoring, reporting, and evaluation of programs and activities. In addition, staff provides assistance to various groups including the Citizen Participation Committee, 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, housing acquisitions, demolitions, community public services and facilities assistance projects, and coordinate the efforts of others to bring about economic, physical, and social improvements in selected neighborhoods.
  - **Home Investments Partnership Program (HOME) -** Annual Federal housing grant program designed to fund operating, project expenses, and provide for homebuyer's assistance to Community Housing Development Organizations (CHDO) and other housing developers that provide affordable housing; offer direct homebuyers assistance; and fund housing rehabilitation for existing low-income homeowners.
  - **CDBG -** Annual Federal housing grant program designed to fund operating and project expenses, rehabilitation, the demolition of substandard property, public services and facilities, and code enforcement.

OBJECTIVES FOR FISCAL YEAR 2016

- Continue to accept and process applications for existing owner occupied rehab and new construction projects and other strategic rental or home ownership projects.
- Rock River Water Reclamation District and the Public Works Department will make infrastructure improvements necessary to replace the existing private sanitary sewer system in the Coronado-Haskell neighborhood. HOME funds will bring owner occupied housing along the sewer line up to local code.
- Code Enforcement will continue to provide needed services to Community Development Block Grant area with a focus on the Midtown and Ellis Heights neighborhoods.
- Assistance will be available for purchasers of 1-4 unit housing to be owner occupied properties through the Tax Incentive Program. This includes assistance with the rehabilitation of the property.
- Assist the build out of Springfield Corners, Thatcher Blake Riverwalk, and the Valencia Apartments as the housing market improves.
- Plan, develop, and administer programs according to CDBG and HOME Federal requirements and monitor all current and prior year activity.
- Seek new Community Housing Development Organizations (CHDOs) and applications for projects. Administer, underwrite and process all applications and monitor the use of funds. Provide technical assistance to potential CHDOs so that Rockford maintains at least one certified CHDO.
- Continue to work and plan with NWHomeStart in the administration of the National Foreclosure Settlement award of $2.5 million. This will include our partnership in the administration of a roof repair program.

Community Development Business Group

- Continue partnerships with the Winnebago County Health Department and the Human Services Department to address lead based paint hazards in homes leveraging our federal funds when feasible.
- Continue to work with Construction Services to demolish blighted properties through the fast track demolition process or properties through donations/nominal amounts and identify additional sources of revenue to address the continued need.
- Seek proposals for the redevelopment and/or sale of excess property acquired with Community Development Block Grant or Neighborhood Stabilization Program funds.
- Apply for funds through sources other than entitlement grants, such as the State of Illinois, for housing related activity.
- Continue to lend our support to various committees throughout the community.
- Continue to administer and report on the status of the Neighborhood Stabilization Program1 grant, complete the program activities, and use program income when available. NSP Close Out will be completed in 2016.
- Complete the 2017 Annual Plan for CDBG and HOME funds and the 2015 CAPER (annual report).
- Administer multi-year projects, such as Discovery Center and its 21st Century after school program.
- Continue to provide funds to Regional Access Mobility Program (RAMP) agency for the construction of ramps for the physically disabled.

COMMUNITY DEVELOPMENT BUSINESS GROUP BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$628,530	$547,871	$524,590	$542,497	($5,374)
CONTRACTUAL	183,882	138,425	123,508	136,693	(1,732)
SUPPLIES	1,693	5,050	4,657	4,030	(1,020)
OTHER	2,368,781	4,109,064	3,024,791	2,842,850	(1,266,214)
TOTAL	$3,182,886	$4,800,410	$3,677,546	$3,526,070	($1,274,340)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
CURRENT FUNDS					
COMMUNITY DEVELOPMENT GRANT	$2,054,135	$2,091,773	$1,920,519	$2,059,278	$138,759
HOME PROGRAM	819,929	867,327	947,131	777,086	(170,045)
OTHER FEDERAL/STATE	139,919	166,875	186,454	186,454	0
PROGRAM INCOME	60,847	232,386	315,000	60,000	(255,000)
	3,074,830	3,358,361	3,369,104	3,082,818	(286,286)
REPROGRAMMED FUNDS-PRIOR YEARS					
COMMUNITY DEVELOPMENT GRANT	45,000	98,786	351,035	20,000	(331,035)
HOME PROGRAM	798,338	977,661	1,067,365	428,506	(638,859)
	843,338	1,076,447	1,418,400	448,506	(969,894)
TOTAL	$3,918,168	$4,434,808	$4,787,504	$3,531,324	($1,939,788)

Community Development Business Group

COMMUNITY DEVELOPMENT BUSINESS GROUP AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
DEVELOPMENT PROGRAMS MANAGER	110	1.00	1.00	0.00
GRANTS COMPLIANCE SPECIALIST II	108	1.00	1.00	0.00
GRANTS COMPLIANCE SPECIALIST I	107	0.00	0.00	0.00
HOUSING REHAB SPECIALIST II	105	1.00	1.00	0.00
HOUSING REHAB SPECIALIST I	102	1.00	1.00	0.00
REHAB CONST SPECIALIST I	CD-15	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	101	1.00	1.00	0.00
TOTAL PERSONNEL		**6.00**	**6.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel budget numbers reflect a 2% wage increase for all staff offset by reductions in health insurance and wages as a result of staff changes.
- Contractual expenses decreased $1,732 primarily as a result of changes in purchase of services.
- Other shows significant decreases in demolition and property acquisitions.

CAPITAL EQUIPMENT

For 2016, the Division will not have any capital purchases.

COMMUNITY DEVELOPMENT BUSINESS GROUP FIVE YEAR FORECAST

The 2017-2021 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.

	2017	2018	2019	2020	2021
Revenues	$3,632	$3,741	$3,853	$3,969	$4,088
Expenditures	3,632	3,741	3,853	3,969	4,088
Excess(Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	$0	$0	$0	$0	$0

Community Development Business Group

COMMUNITY DEVELOPMENT BUSINESS GROUP PERFORMANCE MEASUREMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
HOMEOWNER REHAB PROGRAM	4	4	0	0
DISCOVERY CENTER-CHILDREN ASSISTED	234	240	346	240
CODE ENFORCEMENT	4,779	5,000	5,312	5,000
HOME-HOMEOWNER REHAB PROGRAM	20	20	20	18
HOME-HOMEBUYER ASSISTANCE	3	21	13	32
CHDO OPERATING SUBSIDY	0	1	0	1
CHDO REHAB & NEW CONSTRUCTION UNITS	0	6	33	30
NSP REDEVELOPED UNITS COMMITTED	0	1	1	1
MADIGAN GRANT ROOF REPAIR	0	15	3	20
GENERAL FUND/TIF DEMOLITIONS	100	117	100	90
WATER HOOK UP PROGRAM	3	n/a	n/a	n/a
TAX INCENTIVE PROGRAM	0	8	11	1

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.

OBJECTIVES FOR FISCAL YEAR 2016

- The Redevelopment Fund will finance the Metro Center Authority operating deficits, provide funds for redevelopment activities, and assist in financing economic development efforts.

REDEVELOPMENT FUND BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
CONTRACTUAL	$39,870	$21,680	$29,618	$21,680	$0
OTHER	3,861,599	4,124,831	3,642,873	4,946,414	821,583
TOTAL	$3,901,469	$4,146,511	$3,672,491	$4,968,094	$821,583

FUNDING SOURCE	2013	2014	2015	2016	INCREASE
REDEVELOPMENT SALES TAX	ACTUAL	ACTUAL	ESTIMATED	BUDGET	(DECREASE)
MOTEL	$350,000	$380,416	$378,702	$381,000	$2,298
PACKAGE	500,000	534,057	565,225	535,000	(30,225)
RESTAURANT	2,875,000	3,053,972	3,361,202	3,055,000	(306,202)
SUBTOTAL	$3,725,000	$3,968,445	$4,305,129	$3,971,000	($334,129)
INTEREST INCOME	433,320	515,585	454,080	425,000	(29,080)
TOTAL	$4,158,320	$4,484,030	$4,759,209	$4,396,000	($363,209)

BUDGET HIGHLIGHTS

- The budgeted subsidy for RAVE is $1,227,619 less repayments by RAVE to the city for structured debt. The city approved a new parking agreement with RAVE in 2015. The terms of the agreement require the city forgive repayment for three prior loans in exchange for additional parking revenue.
- Debt service payments total $3,893,628, an increase of $324,900 from the prior year's budget. Debt service is budgeted for six bond issues. For the Coronado Theatre restoration, debt service is $899,750. City support for the debt service for remodeling the BMO Harris Center and acquiring an AHL franchise totals $1,262,700 for 2016. The city resumed debt service payments in 2014 for the $16.7 million bond issued in 2007. Also, $441,900 is budgeted for the 2009 $8.065 million BMO Harris Center taxable refunding issue. Debt service for the Downtown Sports Facility totals $827,775.
- The budgeted amount for the Rockford Area Economic Development Council (RAEDC) is $150,000.

Redevelopment Fund

- Tax revenue is budgeted at $4,023,000, an increase of 5.2% from the prior year's budget. Additional revenue for 2016 includes contributions of $150,000 from both the Rockford Park District and Reclaiming First for debt service to finance the Downtown Sports Facility.

REDEVELOPMENT FUND FIVE YEAR FORECAST

The 2017-2021 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. The refinancing and the structural changes made in 2009 and the change in the operating agreement with RAVE should insure the long term viability of this fund.

	2017	2018	2019	2020	2021
Revenues	$5,414	$5,479	$5,546	$5,614	$5,683
Expenses	6,487	$5,553	$5,411	$5,414	$5,775
Excess (Deficit)	(1,073)	(74)	135	200	(92)
Beginning Balance	1,371	298	224	359	559
Ending Balance	$298	$224	$359	$559	$467

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 (RACVB). 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.

OBJECTIVES FOR FISCAL YEAR 2016

- 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).

TOURISM FUND BUDGET SUMMARY

APPROPRIATION	2013 ACTUAL	2014 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
TRANSFER TO RACVB	$1,230,294	$1,293,771	$1,407,979	$1,220,000	($73,771)
TRANSFER FOR DEBT SERVICES	$300,000	$433,320	454,080	478,200	44,880
PURCHASE OF SERVICES	1,800	1,800	1,800	1,800	0
TOTAL	$1,532,094	$1,728,891	$1,863,859	$1,700,000	($28,891)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
TOURISM PROMOTION SALES TAX	$1,639,717	$1,893,312	$1,888,311	$1,700,000	($188,311)
TOTAL	$1,639,717	$1,893,312	$1,888,311	$1,700,000	($188,311)

BUDGET HIGHLIGHTS

- Tax revenue is budgeted at $1,700,000. Total revenues for 2014 were $1,893,312.
- The transfer to the Rockford Area Convention & Visitor's Bureau increases $36,180 to $1,220,000. This consists of revenue equal to 60% of the Tourism Promotion Sales Tax proceeds and funding from the 1% challenge grant.
- Funds transferred to the Redevelopment Fund to support debt service payments for the BMO Harris Bank Center are budgeted at $478,200, a $24,100 increase from 2015.

Tourism Promotion Fund

TOURISM FUND FIVE YEAR FORECAST

The 2017-2021 five year forecast assumes motel revenue growth at two percent annually and appropriation of all income to the Visitors Bureau except for City reimbursements.

	2017	2018	2019	2020	2021
Revenues	$1,688	$1,739	$1,791	$1,845	$1,900
Expenses	1,688	1,739	1,791	1,845	1,900
Excess (Deficit)	0	0	0	0	0
Beginning Balance	471	471	471	471	471
Ending Balance	$471	$471	$471	$471	$471

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 20 Commercial Retail TIF Districts, East Side, East River, West Side #1 and #2, River District North, South Rockford, Assisted Living, West State and Kilburn, State and Central, Springfield Corners, North Main and Eddy Ave, North Main and Auburn, Main and Whitman, Seventh Street, Midtown, Broadway, State and Alpine, East State and Mulford, Jefferson and North 3rd Street, and Auburn Street.

OBJECTIVES FOR FISCAL YEAR 2016
- Continue coordination with community partner organizations to work on improvement plans.
- Complete annual tax increment financing reporting.
- Attract four new companies to commercial TIFs.
- Assist four existing companies in commercial TIFs.
- Initiate cooperative marketing plan for commercial development within the Auburn Street Corridor TIF.
- Implement development agreement terms for Southeast corner of Auburn and Central.
- Implement the Amerock Building (Ziock)/Gorman redevelopment agreement.
- Implement development agreement for 134 N Main with Joseph James.
- Implement development agreement with Alpine bank for new facility at Main and Auburn.
- Market façade improvement program to priority areas including South Main Street, N Main and State Street.
- Continue coordination with neighborhood and business district groups.

BUDGET SUMMARIES

EAST SIDE TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$30,000	$30,000	$30,000	$30,000	$0
OTHER	372,238	385,076	361,228	165,000	(220,076)
TOTAL	$402,238	$415,076	$391,228	$195,000	($220,076)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$312,764	$305,006	$322,666	$325,893	$0
TOTAL	$312,764	$305,006	$322,666	$325,893	$0

Retail Tax Increment Financing Districts

WEST SIDE TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$711,306	$570,741	$493,846	$922,029	$351,288
TOTAL	$711,306	$570,741	$493,846	$922,029	$351,288

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$414,190	$418,723	$488,964	$493,854	$4,890
TRANSFER FROM ES TIF	300,000	300,000	300,000	105,000	(195,000)
INTEREST INCOME	2,900	10,580	2,900	0	(2,900)
TOTAL	$717,090	$729,303	$791,864	$598,854	($193,010)

SEVENTH STREET TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$2,123	$0	$0	$0	$0
OTHER	1,082,640	1,158,075	1,205,191	73,170	(1,084,905)
TOTAL	$1,084,763	$1,158,075	$1,205,191	$73,170	($1,084,905)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$838,943	$815,069	$767,825	$775,503	$7,678
TRANSFER FROM JACKSON T	50,000	50,000	0	0	0
INTEREST INCOME	2,000	1,000	0	0	0
TOTAL	$890,943	$866,069	$767,825	$775,503	$7,678

SOUTH ROCKFORD TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$120,000	$393,736	$145,529	$390,725	($3,011)
TOTAL	$120,000	$393,736	$145,529	$390,725	($3,011)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
TAX INCREMENT	$117,355	$106,638	$99,448	$100,443	$995
TRANSFER FROM ERIVER TIF	100,000	100,000	150,000	125,000	(25,000)
INTEREST INCOME	0	0	0	0	0
TOTAL	$217,355	$206,638	$249,448	$225,443	($24,005)

Retail Tax Increment Financing Districts

ASSISTED LIVING TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$0	$0	$0	$0	$0
INTEREST INCOME	0	3	4	3	(1)
TOTAL	$0	$3	$4	$3	($1)

EAST RIVER TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$180,099	$472,600	$540,292	$372,574	($100,026)
TOTAL	$180,099	$472,600	$540,292	$372,574	($100,026)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$79,591	$135,993	$186,312	$188,177	$1,865
TRANSFER FROM 7TH ST TIF	100,000	100,000	1,092,075	7,170	(1,084,905)
INTEREST INCOME	0	0	587	11,238	10,651
TOTAL	$179,591	$235,993	$1,278,974	$206,585	($1,072,389)

WEST SIDE 2 TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$2,415	$1,474	$627	$630	$3
INTEREST INCOME	0	552	184	186	2
TOTAL	$2,415	$2,026	$811	$816	$5

Retail Tax Increment Financing Districts

RIVER NORTH TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$28,587	$29,386	$74,438	$255,354	$225,968
TOTAL	$28,587	$29,386	$74,438	$255,354	$225,968

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$33,529	$30,181	$45,854	$260,492	$214,638
INTEREST INCOME	0	7,129	2,323	1,652	(671)
TOTAL	$33,529	$37,310	$48,177	$262,144	$213,967

STATE KILBURN TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$8,089	$7,071	$25,661	$25,900	$239
INTEREST INCOME	0	2,137	901	2,201	1,300
TOTAL	$8,089	$9,208	$26,562	$28,101	$1,539

STATE CENTRAL TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$9,934	$0	$300,000	$44,782	$44,782
TOTAL	$9,934	$0	$300,000	$44,782	$44,782

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$103,036	$54,566	$41,822	$75,596	$33,774
TOTAL	$103,036	$54,566	$43,117	$75,596	$32,479

Retail Tax Increment Financing Districts

SPRINGFIELD CORNERS TAX INCEMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$437,616	$470,344	$473,580	$491,457	$21,113
TOTAL	$437,616	$470,344	$473,580	$491,457	$21,113

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$205,737	$210,798	$214,026	$216,166	$2,140
TRANSFER FROM STATE/CENTRAL	200,000	0	0	0	0
TOTAL	$405,737	$210,798	$214,026	$216,166	$2,140

NORTH MAIN STREET TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$247,668	$200,516	$200,516	$236,889	$36,373
TOTAL	$247,668	$200,516	$200,516	$236,889	$36,373

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$65,999	$53,682	$45,190	$45,642	$452
TOTAL	$65,999	$53,682	$45,190	$45,642	$452

MAIN AUBURN TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$0	$3,750	$105,590	$268	($3,482)
TOTAL	$0	$3,750	$105,590	$268	($3,482)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$6,398	$2,841	$1,339	$18,851	$18,357
INTEREST INCOME	0	4,472	1,044	1,263	1,361
TOTAL	$6,398	$7,313	$2,383	$20,114	$19,718

Retail Tax Increment Financing Districts

MAIN WHITMAN TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$147,962	$85,059	$88,424	$118,726	$33,667
TOTAL	$147,962	$85,059	$88,424	$118,726	$33,667

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
TAX INCREMENT	$32,690	$26,692	$19,446	$19,642	$196
TOTAL	$32,690	$26,692	$19,446	$19,642	$196

MIDTOWN TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$0	$29,500	$0	$4,551	($24,949)
TOTAL	$0	$29,500	$0	$4,551	($24,949)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$18,163	$11,706	$9,853	$16,452	$6,599
INTEREST INCOME	0	0	1,333	1,183	(150)
TOTAL	$18,163	$11,706	$11,186	$17,635	$6,449

BROADWAY TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$0	$0	$83,616	$35,000	$35,000
TOTAL	$0	$0	$83,616	$35,000	$35,000

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$25,623	$43,355	$84,159	$85,001	$842
INTEREST INCOME	0	4,467	2,423	1,766	(657)
TOTAL	$25,623	$47,822	$86,582	$86,767	$185

Retail Tax Increment Financing Districts

STATE ALPINE TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$165,614	$155,000	$80,000	$140,000	($15,000)
TOTAL	$165,614	$155,000	$80,000	$140,000	($15,000)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$135,312	$121,615	$116,459	$117,600	$1,141
INTEREST INCOME	0	17,761	6,730	4,009	(2,721)
TOTAL	$135,312	$139,376	$123,189	$121,609	($1,580)

MULFORD/STATE TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$0	$171,380	$184,248	$138,615	($32,765)
TOTAL	$0	$171,380	$184,248	$138,615	($32,765)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$0	$136,885	$167,765	$199,418	$31,653
INTEREST INCOME	0	2,421	3,858	3,916	58
TOTAL	$0	$139,306	$171,623	$203,334	$31,653

JEFFERSON/NORTH 3RD TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$18,310	$14,277	$27,128	$13,837	($440)
TOTAL	$18,310	$14,277	$27,128	$13,837	($440)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$4,622	$14,458	$13,937	$14,296	$359
INTEREST INCOME	0	0	181	100	(81)
TOTAL	$4,622	$14,458	$14,118	$14,396	$278

Retail Tax Increment Financing Districts

AUBURN TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAX INCREMENT	$0	$0	$6,589	$40,548	$33,959
TOTAL	$0	$0	$6,589	$40,548	$33,959

BUDGET HIGHLIGHTS

- This 20 district group collectively runs a deficit from 2018 through 2027. The deficit generators are North Main, a high deficit year (2022) of $2,040,210 and an estimated ending deficit of $1,962,234 in 2026, and Main Whitman, a high deficit year of $2,065,089 (2030) and an estimated ending deficit of $2,042,253 in 2031.
- No long term financing is planned for 2016.

RETAIL TAX INCREMENT FIVE YEAR FORECAST

The 2017-2021 five-year forecasts assume 1% 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.

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

	2017	2018	2019	2020	2021
Revenues	$101	$102	$103	$105	$106
Expenditures	394	396	406	26	26
Excess (Deficit)	(292)	(293)	(303)	78	79
Beginning Balance	187	(105)	(398)	(701)	(623)
Ending Balance	($105)	($398)	($701)	($623)	($544)

ASSISTED LIVING TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$0	$0	$0	$0	$0
Expenditures	0	0	0	0	0
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	$0	$0	$0	$0	$0

Retail Tax Increment Financing Districts

EAST RIVER TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$199	$203	$206	$210	$215
Expenditures	73	72	71	70	69
Excess (Deficit)	126	131	135	140	146
Beginning Balance	583	709	840	975	1,115
Ending Balance	$709	$840	$975	$1,115	$1,261

WEST SIDE 2 TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$1	$1	$1	$1	$1
Expenditures	0	0	0	0	0
Excess (Deficit)	1	1	1	1	1
Beginning Balance	14	15	15	16	17
Ending Balance	$15	$16	$16	$17	$18

RIVER NORTH TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$267	$272	$277	$282	$288
Expenditures	259	262	265	269	272
Excess (Deficit)	8	10	12	13	16
Beginning Balance	117	125	135	147	161
Ending Balance	$125	$135	$147	$160	$177

STATE KILBURN TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$28	$29	$29	$30	$30
Expenditures	0	0	0	0	0
Excess (Deficit)	28	29	29	30	30
Beginning Balance	100	128	157	186	216
Ending Balance	$128	$157	$186	$216	$246

STATE CENTRAL TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$76	$77	$78	$79	$79
Expenditures	44	43	42	141	99
Excess (Deficit)	32	34	36	(62)	(20)
Beginning Balance	(160)	(128)	(94)	(59)	(122)
Ending Balance	($128)	($94)	($58)	($121)	($142)

Retail Tax Increment Financing Districts

SPRINGFIELD CORNERS TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$218	$221	$223	$280	$323
Expenditures	486	550	556	576	423
Excess (Deficit)	(268)	(329)	(333)	(296)	(100)
Beginning Balance	(2,462)	(2,729)	(3,059)	(3,392)	(3,688)
Ending Balance	($2,730)	($3,058)	($3,392)	($3,688)	($3,788)

NORTH MAIN STREET TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$46	$47	$47	$47	$48
Expenditures	206	202	198	194	190
Excess (Deficit)	(160)	(156)	(151)	(146)	(142)
Beginning Balance	(1,135)	(1,295)	(1,451)	(1,602)	(1,749)
Ending Balance	($1,295)	($1,451)	($1,602)	($1,749)	($1,890)

MAIN AUBURN TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$19	$19	$19	$20	$20
Expenditures	9	9	9	9	9
Excess (Deficit)	10	10	10	11	11
Beginning Balance	2	2	12	23	34
Ending Balance	$12	$12	$22	$34	$45

MAIN WHITMAN TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$20	$20	$20	$20	$21
Expenditures	117	116	114	113	112
Excess (Deficit)	(97)	(96)	(94)	(93)	(91)
Beginning Balance	(706)	(803)	(898)	(992)	(1,085)
Ending Balance	($803)	($899)	($992)	($1,085)	($1,176)

MIDTOWN TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$18	$18	$19	$19	$19
Expenditures	5	5	5	5	5
Excess (Deficit)	13	13	14	14	14
Beginning Balance	92	105	119	133	147
Ending Balance	$105	$118	$133	$147	$161

Retail Tax Increment Financing Districts

BROADWAY TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$88	$91	$93	$95	$97
Expenditures	0	0	0	0	0
Excess (Deficit)	88	91	93	95	97
Beginning Balance	169	258	348	441	536
Ending Balance	$257	$349	$441	$536	$633

STATE ALPINE TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$123	$124	$126	$127	$128
Expenditures	140	140	190	190	150
Excess (Deficit)	(17)	(16)	(64)	(63)	(22)
Beginning Balance	378	360	345	280	217
Ending Balance	$361	$344	$281	$217	$195

MULFORD/STATE TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$207	$211	$215	$219	$223
Expenditures	92	93	94	82	83
Excess (Deficit)	115	118	121	137	140
Beginning Balance	195	309	427	548	685
Ending Balance	$310	$427	$548	$685	$825

JEFFERSON/NORTH 3RD TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$15	$15	$15	$15	$16
Expenditures	14	14	15	15	15
Excess (Deficit)	1	1	0	0	1
Beginning Balance	(12)	(12)	(11)	(11)	(10)
Ending Balance	($11)	($11)	($11)	($11)	($9)

AUBURN TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$41	$41	$41	$42	$42
Expenditures	0	24	24	24	24
Excess (Deficit)	41	17	17	18	18
Beginning Balance	7	47	64	82	99
Ending Balance	$48	$64	$81	$100	$117

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 seven industrial TIF Districts, Kishwaukee-Harrison #1 and #2, Preston and Central, Rockford Global Trade Park #1, #2, #3, and Global Trade Park South.

OBJECTIVES FOR FISCAL YEAR 2016

- Market remaining lot within Logistics Park with adjacent property for industrial users.
- Complete redevelopment agreement for Chicago-Rockford International Airport for AAR-MRO Project.
- Form a Global Trade Park Action Committee with representatives from the City, the Airport and the Rockford Area Economic Development Council.
- Conduct Voice of the Customer Surveys with those businesses in the Global Trade Park and determine their willingness to form a Business Association as well as their greatest concerns regarding the Global Trade Park.
- Conduct an "Innovation Burst" with approximately 25 key individuals and Industry experts to develop a strategy for the Global Trade Park.
- Determine how to fund improvements at the Global Trade Park using a combination of private and public dollars.
- Initiate development plan for Global Trade Park South Redevelopment Planning Area and TIF.
- Complete implementation of Global Trade Park branding and signage.
- Complete sanitary sewer and water extensions to Gensler property.
- Continue cooperative marketing plan for industrial TIFs with Rockford Area Economic Development Council (RAEDC).
- Complete annual Tax Increment Financing Report.
- Hold ad hoc TIF Committee meeting to review past projects and evaluate policy.
- Attract four new companies to industrial TIFs.
- Assist four existing companies to expand in industrial TIFs.
- Initiate cooperative marketing plan for industrial sites in the proposed Auburn Street Corridor TIF.
- Complete TIF redevelopment agreement with 4000 Auburn (former Amerock facility).
- Provide a focus on bringing employment opportunities to areas of the City where prospective employees face challenges regarding transportation and child care resources.
- Identify the best use for available properties and work towards site readiness.

Industrial Tax Increment Financing Districts

BUDGET SUMMARIES

KISHWAUKEE HARRISON #1 TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$34,065	$33,453	$33,453	$33,788	$335
TOTAL	$34,065	$33,453	$33,453	$33,788	$335

FUNDING SOURCE	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$45,498	$40,803	$39,356	$39,750	$394
INTEREST INCOME	0	4,803	1,286	1,430	144
TOTAL	$45,498	$45,606	$40,642	$41,180	$538

KISHWAUKEE HARRISON #2 TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
OTHER	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$0	$0	$0	$0	$0
INTEREST INCOME	0	32	11	9	(2)
TOTAL	$0	$32	$11	$9	($2)

PRESTON CENTRAL TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$174,477	$109,258	$114,855	$107,462	($1,796)
TOTAL	$174,477	$109,258	$114,855	$107,462	($1,796)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$75,570	$75,982	$76,400	$76,300	($100)
TOTAL	$75,570	$75,982	$76,400	$76,300	($100)

Industrial Tax Increment Financing Districts

GLOBAL TRADE PARK TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$0	$10,000	$10,000
OTHER	1,020,776	759,201	708,809	1,139,311	380,110
TOTAL	$1,020,776	$759,201	$708,809	$1,149,311	$390,110

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$730,303	$754,366	$737,600	$812,671	$75,071
TOTAL	$730,303	$754,366	$737,600	$812,671	$75,071

GLOBAL TRADE PARK 2 TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$1,226	$0	$0	$0	$0
OTHER	46,483	197,700	42,739	38,900	(158,800)
TOTAL	$47,709	$197,700	$42,739	$38,900	($158,800)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$179,139	$245,308	$246,128	$248,600	$2,472
INTEREST INCOME	0	13,624	8,865	8,948	83
TOTAL	$179,139	$258,932	$254,993	$257,548	$2,555

GLOBAL TRADE PARK 3 TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$24,710	$21,261	$17,365	$17,500	$135
INTEREST INCOME	0	3,108	1,435	3,294	1,859
TOTAL	$24,710	$24,369	$18,800	$20,794	$1,994

Industrial Tax Increment Financing Districts

GLOBAL TRADE PARK SOUTH TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$0	$0	$747	$0	$0
TOTAL	$0	$0	$747	$0	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$4,990	$9,884	$11,587	$11,703	$116
INTEREST INCOME	0	610	367	443	76
TOTAL	$4,990	$10,494	$11,954	$12,146	$192

BUDGET HIGHLIGHTS

- This seven district group collectively runs a deficit for the entire period, with a high of $1.9 million in 2030. This is entirely due to the Preston and Central TIF District which not only had cost overruns during site preparation but also delays in the project being initiated.
- No long term financing is planned for 2016.

INDUSTRIAL TAX INCREMENT FINANCING FIVE YEAR FORECAST

The 2017-2021 five-year forecasts assume 1% 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.

KISHWAUKEE HARRISON TIF #1 FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$42	$42	$43	$43	$44
Expenditures	34	34	35	35	36
Excess (Deficit)	8	8	8	8	8
Beginning Balance	103	110	118	126	134
Ending Balance	$110	$118	$126	$134	$142

KISHWAUKEE HARRISON TIF #2 FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$0	$0	$0	$0	$0
Expenditures	0	0	0	0	0
Excess (Deficit)	0	0	0	0	0
Beginning Balance	1	1	1	1	1
Ending Balance	$1	$1	$1	$1	$1

Industrial Tax Increment Financing Districts

PRESTON CENTRAL TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$78	$79	$80	$80	$81
Expenditures	104	102	125	122	120
Excess (Deficit)	(26)	(23)	(45)	(42)	(39)
Beginning Balance	(1,555)	(1,581)	(1,605)	(1,651)	(1,693)
Ending Balance	($1,581)	($1,604)	($1,650)	($1,693)	($1,732)

GLOBAL TRADE PARK TIF #1 FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$829	$837	$846	$854	$867
Expenditures	816	452	447	441	440
Excess (Deficit)	13	385	399	413	427
Beginning Balance	(917)	(904)	(519)	(120)	293
Ending Balance	($904)	($519)	($120)	$293	$720

GLOBAL TRADE PARK TIF #2 FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$269	$275	$281	$287	$294
Expenditures	40	40	41	41	41
Excess (Deficit)	229	235	240	246	253
Beginning Balance	1,039	1,269	1,504	1,745	1,991
Ending Balance	$1,268	$1,504	$1,744	$1,991	$2,244

GLOBAL TRADE PARK TIF #3 FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$21	$22	$21	$21	$22
Expenditures	0	0	0	0	0
Excess (Deficit)	21	22	21	21	22
Beginning Balance	130	152	173	194	216
Ending Balance	$151	$174	$194	$215	$238

GLOBAL TRADE PARK SOUTH TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$12	$13	$13	$13	$14
Expenditures	0	0	0	0	0
Excess (Deficit)	12	13	13	13	14
Beginning Balance	41	54	66	79	93
Ending Balance	$53	$67	$79	$92	$107

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 six residential TIFs include Lincolnwood #1 and #2, Hope 6, Garrison School, River Oaks (Thatcher Blake River Walk), and Jackson School.

OBJECTIVES FOR FISCAL YEAR 2016

- Fully enforce Valencia development agreement in default, gain ownership, and secure. Seek developer for the redevelopment of the property. Acquire adjacent property from the Winnebago County Trustee.
- Sell and/or redevelop excess property owned by the City or available within a TIF.
- Continue to market the utilization of the Tax Incentive Program in TIF residential areas to owner occupants of 1-4 unit properties or to developers of residential property. Eligible properties include those with substantial rehabilitation or new construction costs.
- Activate the future development of stalled TIF projects as the market permits.
- Close out the Swedish American Foundation Jackson Oaks TIF project.

BUDGET SUMMARIES

LINCOLNWOOD #1 TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$88,688	$85,328	$85,308	$82,650	($2,678)
TOTAL	$88,688	$85,328	$85,308	$82,650	($2,678)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
TAX INCREMENT	$74,055	$63,344	$75,317	$63,792	($11,525)
INTEREST INCOME	0	6,985	2,241	1,538	(703)
TOTAL	$74,055	$70,329	$77,558	$65,330	($12,228)

Residential Tax Increment Financing Districts

LINCOLNWOOD #2 TAX INCREMENT FINANCING BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
OTHER	$79,632	$67,231	$67,231	$65,330	($1,901)
TOTAL	$79,632	$67,231	$67,231	$65,330	($1,901)

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$46,504	$42,865	$46,969	$41,545	($5,424)
INTEREST INCOME	0	1,708	828	0	(828)
TOTAL	$46,504	$44,573	$47,797	$41,545	($6,252)

RIVER OAKS TAX INCREMENT FINANCING BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
OTHER	$380,926	$288,945	$298,241	$327,407	$38,462
TOTAL	$380,926	$288,945	$298,241	$327,407	$38,462

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$40,250	$29,422	$41,884	$22,455	($19,429)
TOTAL	$40,250	$29,422	$41,884	$22,455	($19,429)

GARRISON TAX INCREMENT FINANCING BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
OTHER	$185,248	$136,905	$139,547	$161,070	$24,165
TOTAL	$185,248	$136,905	$139,547	$161,070	$24,165

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$73,598	$60,445	$74,345	$67,445	$668
TOTAL	$73,598	$60,445	$74,345	$67,445	$668

Residential Tax Increment Financing Districts

HOPE SIX TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$289,781	$263,575	$266,297	$275,383	$11,808
TOTAL	$289,781	$263,575	$266,297	$275,383	$11,808

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$158,512	$157,498	$161,769	$150,176	($11,593)
TOTAL	$158,512	$157,498	$161,769	$150,176	($11,593)

JACKSON SCHOOL TAX INCREMENT FINANCING BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
OTHER	$123,060	$69,940	$45,571	$69,625	($315)
TOTAL	$123,060	$69,940	$45,571	$69,625	($315)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TAX INCREMENT	$55,068	$41,167	$57,100	$32,600	($24,500)
TOTAL	$55,068	$41,167	$57,100	$32,600	($24,500)

BUDGET HIGHLIGHTS

- This six district group collectively has a deficit of $3,783,913 for 2016 and runs a deficit until 2028.
- The deficit generators are Hope 6, a high deficit year (2023) of $1,473,511, Garrison, a high deficit year (2023) of $1,610,504 never turning positive, and River Oaks, a high deficit year (2028) of $3.49 million never turning positive.
- No long term financing is planned for 2016.

RESIDENTIAL TAX INCREMENT FINANCING DISTRICT FIVE YEAR FORECAST

The 2017-2021 five-year forecasts assume 1% 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 #1 TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$66	$66	$67	$69	$71
Expenditures	109	0	0	0	0
Excess (Deficit)	(43)	66	67	69	71
Beginning Balance	85	41	107	174	243
Ending Balance	$42	$107	$174	$243	$314

Residential Tax Increment Financing Districts

LINCOLNWOOD #2 TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$42	$42	$43	$43	$44
Expenditures	64	62	60	83	80
Excess (Deficit)	(22)	(20)	(17)	(40)	(36)
Beginning Balance	(33)	(55)	(74)	(91)	(131)
Ending Balance	($55)	($75)	($91)	($131)	($167)

RIVER OAKS TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$23	$23	$23	$23	$24
Expenditures	341	345	357	49	49
Excess (Deficit)	(318)	(322)	(334)	(26)	(25)
Beginning Balance	(2,293)	(2,611)	(2,933)	(3,267)	(3,292)
Ending Balance	($2,611)	($2,933)	($3,267)	($3,293)	($3,317)

GARRISON TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$68	$69	$69	$70	$71
Expenditures	158	155	152	199	194
Excess (Deficit)	(90)	(86)	(83)	(129)	(123)
Beginning Balance	(647)	(736)	(823)	(905)	(1,033)
Ending Balance	($737)	($822)	($906)	($1,034)	($1,156)

HOPE SIX TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$152	$153	$155	$156	$158
Expenditures	279	272	265	282	274
Excess (Deficit)	(127)	(119)	(110)	(126)	(116)
Beginning Balance	(682)	(810)	(928)	(1,038)	(1,164)
Ending Balance	($810)	($928)	($1,038)	($1,164)	($1,280)

Residential Tax Increment Financing Districts

JACKSON SCHOOL TIF FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$33	$33	$34	$34	$34
Expenditures	69	43	31	43	18
Excess (Deficit)	(36)	(10)	3	(9)	16
Beginning Balance	(168)	(204)	(214)	(211)	(221)
Ending Balance	($204)	($214)	($211)	($220)	($205)

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 of refuse, composting and recycling. In addition, the fund provides purchase of service for contract monitoring, billing and collecting, and reimbursement for street cleaning and forestry services.

FUND AND RATE INFORMATION

- A rate increase from 20.76 monthly to 21.02 monthly was incorporated to keep the fund balanced for 2016.
- Rate increases will be necessary for 2016 and going forward to keep charges in line with increases in the collection contract, a minimum of 1.75% per year.

SANITATION FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$8,623,025	$8,396,800	$8,621,002	$8,592,850	$196,050
OTHER	4,061,977	3,736,450	3,396,560	5,308,705	1,572,255
TOTAL	$12,685,002	$12,133,250	$12,017,562	$13,901,555	$1,768,305

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
SANITATION	$35,655	$35,336	$21,000	$21,000	$0
FRINGE BENEFIT REIMBURSEMENT	0	0	700	650	(50)
USER FEE	9,160,741	11,310,068	11,675,400	12,236,200	560,800
LANDFILL RENT	27,052	26,476	27,100	27,100	0
INTEREST INCOME	(143,776)	264,855	82,200	82,200	0
TOTAL	$9,079,672	$11,636,735	$11,806,400	$12,367,150	$560,750

BUDGET HIGHLIGHTS

- The contractual budget for collection increased $141,400 or 4.0% from the previous year and recycling increased $55,000 based on new contract.
- Customers are estimated at 49,000 for the year.
- Transfers to the general fund increased $1,572,255 as fund reserves are utilized to balance the general fund budget.

Sanitation Fund

SANITATION FUND FIVE YEAR FORECAST

The 2017-2021 five year forecast assumes that total tonnage will increase approximately 300 tons per year. Costs are expected to increase 1.75% (the minimum, 4% is the maximum) annually for collection and disposal.

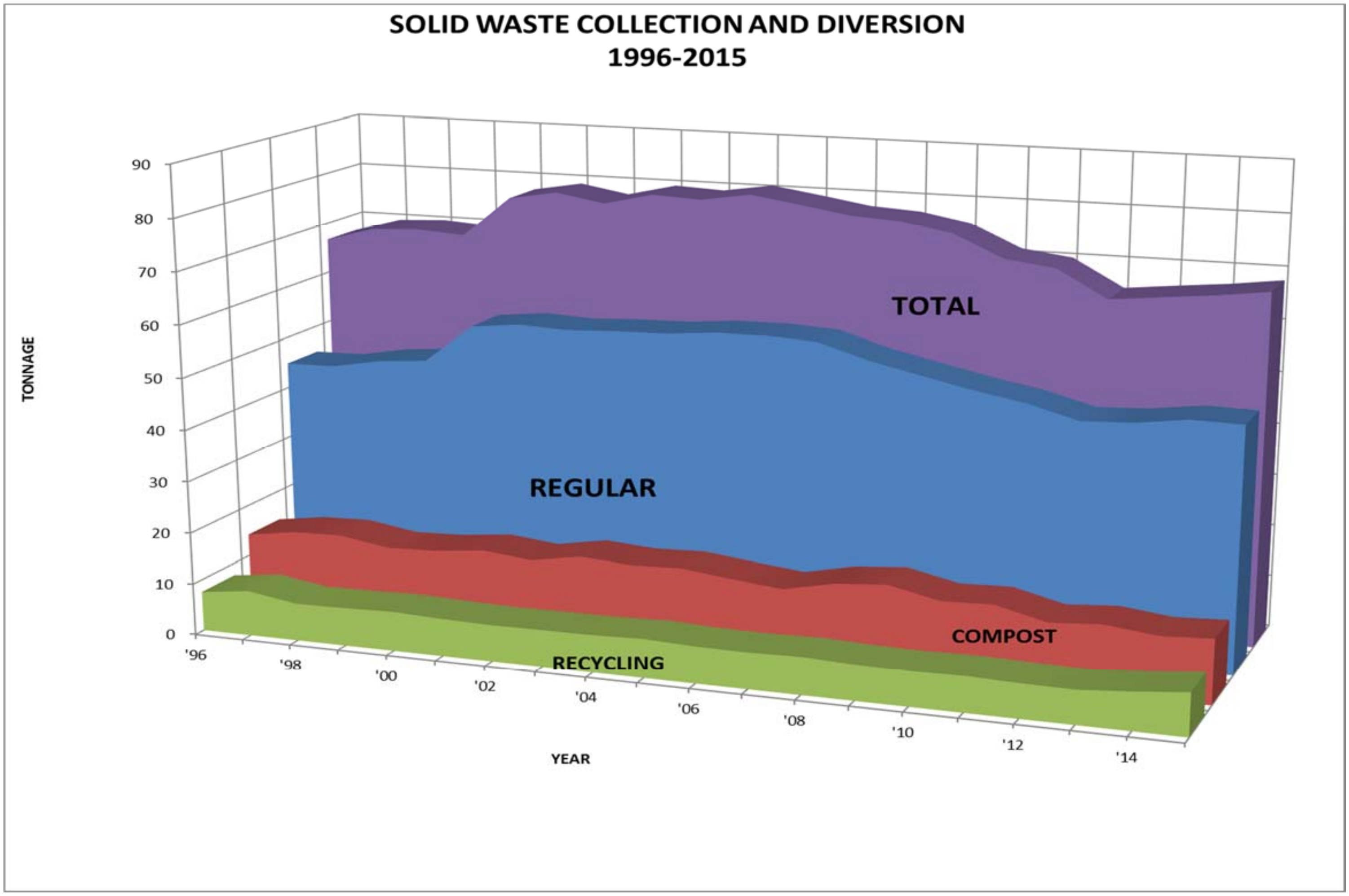
	2017	2018	2019	2020	2021
Recommended Rates	$262.47	$267.72	$273.08	$278.54	$284.11
Revenues	$12,616	$12,869	$13,126	$13,389	$13,656
Expenses	12,609	12,861	13,118	13,381	13,648
Excess(Deficit)	7	8	8	8	8
Beginning Balance	4,154	4,162	4,169	4,177	4,185
Ending Balance	$4,162	$4,169	$4,177	$4,185	$4,193
RESERVE	33.0	32.4	31.8	31.3	30.7

SANITATION FUND PERFORMANCE MEASURES

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
WASTE TONNAGE	47,314	47,000	47,140	47,000
COMPOST TONNAGE	11,994	13,200	12,470	12,500
RECYCLING TONNAGE	7,250	6,800	8,230	7,500
LANDFILL TONNAGE	47,314	47,000	47,140	47,000
DIVERTED TONNAGE	19,244	20,000	20,700	20,000
DIVERSION RATE	29.0%	29.9%	30.5%	29.9%

Sanitation Fund

SANITATION FUND OPERATIONAL INFORMATION



As the performance measurement schedule indicates, the introduction of alternative programs, composting and recycling, have kept wastes out of the landfill. In 2015, 30.5% of the waste stream, or 20,700 tons, was diverted.

Human Services

MISSION STATEMENT

It is the mission of the Human Services Department to serve Boone and Winnebago Counties as a Community Action Agency by engaging all citizens in building stronger communities. The vision of the Human Services Department is a community of strong families and healthy neighborhoods.

PRIMARY FUNCTIONS

The primary function of the Human Services Department is to provide services that address the needs of low income individuals and families living in Winnebago County. The goal of these services is to aid local residents to achieve, sustain and enhance healthy social and economic interdependence and to improve the quality of life for all local residents.

- **Early Care & Education (Head Start/Early Head Start/Maternal Infant Education & Child Development Home Visiting Program)** - These programs are aimed at meeting the educational, social, health, and emotional needs of low-income children, ages prenatal to five years living in Winnebago County, and providing support to their families. These program objectives are accomplished through a variety of options and program models that include home visiting, center based part day and full day preschool services and partnerships with other local early care and education providers.
- **Housing Assistance & Coordination** - Includes a continuum of housing services designed to prevent and end homelessness. The system is comprised of coordinated intake & assessment (homeless single point of entry), homeless prevention, temporary housing, condemnation relocation, ESG Rapid Rehousing, and the Continuum of Care programs which include transitional and permanent supportive housing.
- **Neighborhood Outreach** - Is designed to work with low-income neighborhoods to affect positive change. Currents efforts include the Coronado-Haskell neighborhood, the Belvidere Project and Neighborhood Network.
- **Community Health & Prevention** – Includes efforts to increase health and reduce negative health behaviors in the low-income population. These efforts include Social Norms, Beverage and Alcohol Sellers and Servers Education and Training (BASSET), Community Gardens and Summer Food.
- **Energy Assistance & Savings** - Programs that either create energy savings such as weatherization or emergency furnace or alleviate the cost burden of utilities for low income households such as the Low-Income Home Energy Assistance Program (LIHEAP, the Percentage of Income Payment Program (PiPP) and ComEd Hardship.
- **Job Creation & Placement** - 10% of all CSBG funds must be used to implement programs that result in job creation and training.
- **Self-Sufficiency Training & Case Management** - Includes efforts to improve educational and financial literacy as well as promoting better decision making. These efforts include the Scholarship program, Financial Literacy, and case management.
- **Emergency Assistance** - Provides limited financial assistance to persons experiencing a crisis beyond their control. Requires a commitment to specific steps toward ongoing improvement efforts.

OBJECTIVES FOR FISCAL YEAR 2016

- Eliminate chronic homelessness in collaboration with the Continuum of Care.
- Continue Coronado Haskell and Belvidere neighborhood pilot projects.
- Continue current efforts and seek new strategies and resources to support improved community health and prevention outcomes impacting low-income residents and neighborhoods (i.e., summer food, community gardens, BASSETT training, and youth prevention services).
- Continue to support collaborative efforts toward a community wide system for improving early childhood development and family outcomes.

Human Services

- Continue efforts to measure and improve child and family outcomes for those participating in department early education program and services.
- Improve the collective impact of department services to low income residents and neighborhoods by systematically working with inter-department and community partners in the area of behavioral health, housing stability and quality, employment training and education attainment.
- Continue to improve the deployment of CSBG economic development resources to increase skills, employment and self-employment of low-income residents in collaboration with City and community partners.
- Update fiscal procedures to support compliance with the federal Office of Management and Budget's new guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Super Circular").

HUMAN SERVICES BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
PERSONNEL	$6,403,737	$6,445,664	$6,396,380	$6,479,525	$33,861
CONTRACTUAL	$2,278,219	2,015,363	1,907,833	1,903,075	(112,288)
SUPPLIES	$443,999	754,300	605,574	694,108	(60,192)
OTHER	$6,905,877	4,279,875	6,438,799	2,597,483	(1,682,392)
CAPITAL	$0	0	17,275	0	0
TOTAL	$16,031,832	$13,495,202	$15,365,861	$11,674,191	($1,821,011)

FUNDING SOURCE	2013	2014	2015	2016	INCREASE
	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
FEDERAL	$7,573,904	$7,111,312	$6,298,084	$6,298,084	$0
STATE	8,640,382	8,728,123	7,883,587	5,400,000	(2,483,587)
GENERAL REVENUES	0	0	0	0	0
	$16,214,286	$15,839,435	$14,181,671	$11,698,084	($2,483,587)

Human Services

HUMAN SERVICES DEPARTMENT PERSONNEL AUTHORIZATION

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
EXECUTIVE DIRECTOR OF HUMAN SERVICES	315	1.00	1.00	0.00
HEADSTART DIRECTOR	512	1.00	1.00	0.00
CSBG DIRECTOR	512	1.00	1.00	0.00
HOME BASE SERVICES MGR	509	1.00	1.00	0.00
SUPPORT SERVICES MGR	509	1.00	1.00	0.00
FAMILY & COMMUNITY PARTNERSHIP MGR	509	1.00	1.00	0.00
CHILD DEVELOPMENT MANAGER	509	1.00	1.00	0.00
HEALTH SERVICES MANAGER	509	1.00	1.00	0.00
SITE MANAGER	507	3.00	3.00	0.00
FISCAL OFFICER	108	1.00	1.00	0.00
SPECIAL NEEDS/MENTAL HEALTH COORD	505	1.00	1.00	0.00
CS DRUG FREE COORDINATOR	506	1.00	1.00	0.00
CSBG PROGRAM COORDINATOR	506	1.00	1.00	0.00
TRAINING COORDINATOR	506	1.00	0.00	(1.00)
WEATHERIZATION SPECIALIST	505	0.00	1.00	1.00
HOUSING ADVOCATE	505	1.00	1.00	0.00
RECRUITMENT/ENROLLMENT SPECIALIST	505	1.00	1.00	0.00
OUTREACH WORKER	504	4.00	4.00	0.00
ENERGY SPECIALIST	505	1.00	1.00	0.00
TRANSPORTATION SPECIALIST	505	1.00	1.00	0.00
SENIOR ACCOUNT CLERK	102	3.00	3.00	0.00
ADMINISTRATIVE ASSISTANT	502	3.00	3.00	0.00
SENIOR OFFICE ASSISTANT	501	2.00	2.00	0.00
PROGRAM DATA SPECIALIST	501	1.00	1.00	0.00
MAINTENANCE/REPAIR TECHNICIAN	SAFETY	0.63	0.63	0.00
HEAD TEACHER	AF	12.58	12.58	0.00
HOME VISITOR TEACHER	AF	8.00	8.00	0.00
EHS HOME VISITOR TEACHER	AF	2.00	2.00	0.00
FAMILY RESOURCE WORKER	AF	8.29	8.29	0.00
HEALTH TECHNICIAN	AF	1.00	1.00	0.00
ASSISTANT TEACHER	AF	10.87	10.87	0.00
PROGRAM SUPPORT ASSISTANT	AF	0.98	1.00	0.02
OFFICE ASSISTANT	AF	4.00	4.00	0.00
BUS DRIVER	AF	8.61	8.66	0.05
COOK AIDE	AF	0.81	0.81	0.00
TOTAL PERSONNEL		**90.76**	**90.83**	**0.07**

Human Services

BUDGET HIGHLIGHTS

- Personnel expenses increase due to a budgeted 2% salary increase and an increase in IMRF. These increases are offset by a decrease in employee agency wages and health insurance rates.
- Contractual expenses, supply expenses and other expenses decrease due to State grant funding levels expected to decrease at the time of preparing the budget.

HUMAN SERVICES DEPARTMENT FIVE YEAR FINANCIAL FORECAST (IN 000's)

	2017	2018	2019	2020	2021
Revenues	$11,698,084	$11,698,084	$11,698,084	$11,698,084	$11,698,084
Expenditures	11,698,084	11,698,084	11,698,084	11,698,084	11,698,084
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	$0	$0	$0	$0	$0

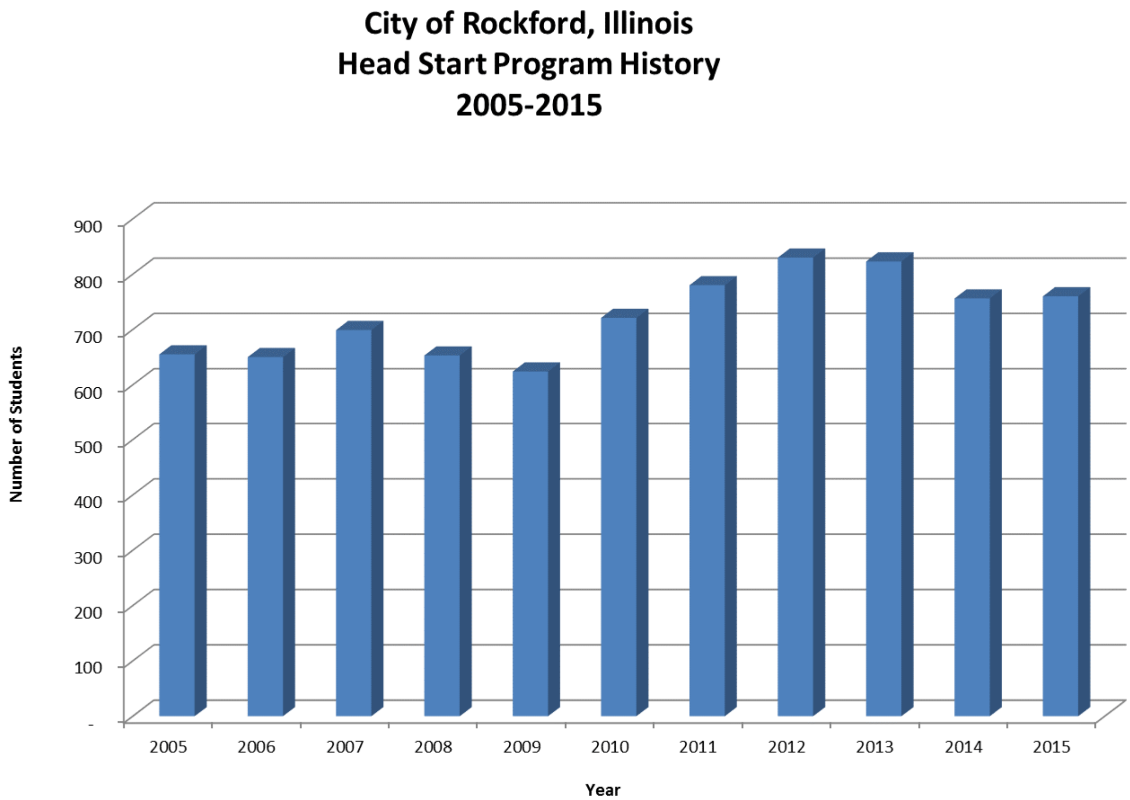
The 2017-2021 five year financial forecast assumes that all grants and other funding sources for Human Services will remain stable. From year to year, increases and decreases have fluctuated between five and 30 percent. The instability of year to year funding levels is due to the 100 percent dependence each year on state and federal funding. Since levels of expenditures are tied directly to the amount allocated by outside funding sources, both revenue and expenditures are projected at the same amount for five years.

HUMAN SERVICES DEPARTMENT PERFORMANCE MEASURES	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
ELIMINATION OF VETERAN HOMELESSNESS-2015**	NA	100%	100%	NA
ELIMINATION OF CHRONIC HOMELESSNESS	NA	50%	50%	100%
% APPLICANTS SUCCESSFULLY PREVENTED HOMELESSNESS	NA	90%	90%	90%
% OF GARDENS HOLDING TEACHING EVENTS**	NA	100%	100%	NA
% OF RESIDENTS ACTIVE IN NEIGHBORHOOD PROJECTS	NA	25%	25%	25%
% BUSINESSES TRAINED IN BASSET WHO REMAIN COMPLIANT	NA	80%	80%	90%
% HOMES WEATHERIZED THAT MET AIR SEALING TARGET	NA	80%	84%	95%
% OF ON TIME PiPP PAYMENTS	95%	90%	90%	80%
% ENROLLED IN JOB TRAINING WHO COMPLETE TRAINING	NA	80%	95%	85%
% ENROLLED IN WORK EXPERIENCE WHO COMPLETE PROGRAM	NA	70%	85%	85%
% ENROLLED IN JOB CREATION AND PLACEMENT WHO ARE EMPLOYED	NA	35%	35%	40%
% HOUSEHOLDS STABILIZED DUE TO EMERGENCY ASSISTANCE	NA	90%	90%	90%
HEAD START FUNDED ENROLLMENT	613	591	626	630
EARLY HEAD START FUNDED ENROLLMENT	143	92	134	134
HEAD START/EARLY HEAD START FAMILIES SERVED	566	683	699	699
EARLY HEAD START PREGNANT WOMEN SERVED	5	8	12	5
EARLY HEAD START/CHILD CARE PARTNERSHIP FUNDED ENROLLMENT	0	40	40	46
HEAD START/PRE-K FUNDED ENROLLMENT	0	40	40	48

**program suspended

Human Services

OPERATIONAL INFORMATION



Source: Human Services Department

The Head Start Program is aimed at meeting the educational, social, health, and emotional needs of low-income preschool children and their families in Winnebago County. The program has four different service options which consist of home base schooling, students in part day classes, students in a full-time day setting, and family plus. In 2015, the Human Services Department provided the program to an estimated 760 children.

Tuberculosis Sanitarium Fund

MISSION STATEMENT

It is the mission of the Tuberculosis Sanitarium fund to provide medical treatment for residents and non-residents that have tuberculosis.

PRIMARY FUNCTIONS/FUND HIGHLIGHTS

The primary function of the Tuberculosis Sanitarium fund is to provide active or preventative patients with oral medication on an outpatient basis.

Effective January 1, 1999, the City contracted with the Winnebago County Health Department for providing medical treatment for tuberculosis. The City levies property taxes to fund TB care with the actual provision of the service provided by the County Health Department. Patients receive tuberculosis screening, x-rays, medication and follow-up services. The City and the Tuberculosis Board provide all fiscal resources and policy oversight. In 2015, an estimated 700 city patients were served (2014 – 1,286, 2013 – 3,172). City patients have been approximately 85% of the caseload for 2015 (2014 – 88%, 2013 – 93%).

TUBERCULOSIS SANITARIUM BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$120,269	$126,300	$105,189	127,600	1,300
TOTAL	$120,269	$126,300	$105,189	$127,600	$1,300

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
TUBERCULOSIS SANITARIUM	$159,659	$159,864	$125,037	$126,324	$1,287
INTEREST INCOME	(4,858)	7,895	1,900	1,800	(100)
TOTAL	$154,801	$167,759	$126,937	$128,124	$1,187

TUBERCULOSIS SANITARIUM FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$133	$129	$133	$137	$141
Expenditures	131	128	131	135	139
Excess (Deficit)	2	1	2	2	2
Beginning Balance	150	153	150	146	143
Ending Balance	$152	$154	$152	$148	$145
Rate (Cents)	0.6	0.6	0.6	0.6	0.7

The 2017-2021 five-year forecast assumes marginal change in the contracted service cost and property tax levy. Under statutory authority, the tax rate for this purpose cannot exceed five cents. The five year plan calls for using six-tenths of a cent to seven-tenths of a cent during this time period.

Rockford Mass Transit District Subsidy

MISSION STATEMENT

The City, along with Federal and State governments, finance the operating deficits of the Rockford Mass Transit District (RMTD) so that it can provide public transit service to city residents.

PRIMARY FUNCTIONS

The primary function of the Rockford Mass Transit District is to provide city residents transit service from 5:00 a.m. to 12:00 a.m. Monday through Friday and 5:30 a.m. to 7:00 p.m. Saturday. Until 7:00 p.m., the service is provided through eleven routes; after that hour, the routes are combined into five to provide evening service with one-hour headways until 11:45 p.m. A final non-scheduled bus then takes all remaining passengers home from the Transfer Center. Special services are also offered on an as-need basis. In addition to offering wheelchair accessible service on all routes, the District also provides demand ride and subscription services to disabled and elderly residents. The District also provides service to Belvidere, Machesney Park and Loves Park, for which it is reimbursed.

ROCKFORD MASS TRANSIT DISTRICT SUBSIDY BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$1,524,000	$1,524,000	$1,524,000	$1,524,000	$0
TOTAL	$1,524,000	$1,524,000	$1,524,000	$1,524,000	$0

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2014 BUDGET	2015 BUDGET	INCREASE (DECREASE)
GENERAL REVENUES	$1,524,000	$1,524,000	$1,524,000	$1,524,000	$0
TOTAL	$1,524,000	$1,524,000	$1,524,000	$1,524,000	$0

BUDGET HIGHLIGHTS

- The 2016 RMTD budget, July 1, 2015, to June 30, 2016, proposes spending $16,692,288.
- 2016 operating revenue from the District is estimated at $1,771,000. Overall, District revenues account for 11% of the necessary funding with the remaining $14,921,288 (89%) being provided by the Federal Government, the State of Illinois, and area municipalities.

ROCKFORD MASS TRANSIT CITY SUBSIDY FIVE YEAR FINANCIAL FORECAST (IN 000's) - CITY FISCAL YEAR

	2017	2018	2019	2020	2021
CITY SUBSIDY	$1,524	$1,524	$1,524	$1,524	$1,524

Rockford Mass Transit District Subsidy

ROCKFORD MASS TRANSIT CITY SUBSIDY FIVE YEAR FINANCIAL FORECAST (IN 000's) - RMTD FISCAL YEAR

REVENUES	2017	2018	2019	2020	2021
FEDERAL	$2,342	$2,342	$2,342	$2,342	$2,342
STATE	11,151	12,185	12,739	13,319	13,925
LOCAL	474	508	526	544	563
CITY	1,524	1,524	1,524	1,524	1,524
OTHER	269	288	298	308	319
	15,760	16,847	17,429	18,037	18,673
DISTRICT	1,824	1,935	1,993	2,053	2,114
	17,584	18,782	19,422	20,090	20,787
EXPENDITURES	17,155	18,746	19,598	20,490	21,423
EXCESS(DEFICIT)	429	36	(176)	(400)	(636)
BEGINNING BALANCE	2,150	2,150	2,150	2,150	2,150
ENDING BALANCE	$2,579	$2,186	$1,974	$1,750	$1,514

The City is committed to financing the operating deficit remaining after Federal and State subsidies have been received. Given the uncertainty of Federal funding, subsidy forecasts are hard to project. However, assuming expenditure increases, stagnant fare box income, decreasing Federal funding, State grants at 55% of expenditures, and that the City would assume the remaining deficits, the preceding forecast is projected.

The last fare increase was from $1.00 to $1.50 in 2009.

OPERATIONAL INFORMATION

ROCKFORD MASS TRANSIT DISTRICT
RIDERSHIP 2005-2015

RMTD FY	Daytime Ridership	Change	% Change	Evening Ridership	Change	%Change	Paratransit Ridership	Change	%Change
2005	1,188,764	(41,005)	-3.3%	70,871	3,764	5.6%	95,027	(5,108)	-5.1%
2006	1,311,275	122,511	10.3%	85,150	14,279	20.1%	76,371	(18,656)	-19.6%
2007	1,401,914	90,639	6.9%	96,276	11,126	13.1%	76,396	25	0.0%
2008	1,542,965	141,051	10.1%	111,421	15,145	15.7%	91,508	15,112	19.8%
2009	1,632,929	89,964	5.8%	115,074	3,653	3.3%	98,031	6,523	7.1%
2010	1,435,753	(197,176)	-12.1%	86,961	(28,113)	-24.4%	78,119	(19,912)	-20.3%
2011	1,642,264	206,511	14.4%	8,926	(78,035)	-89.7%	76,408	(1,711)	-2.2%
2012	1,670,444	28,180	1.7%	107,525	98,599	1104.6%	89,487	13,079	17.1%
2013	1,695,755	25,311	1.5%	116,350	8,825	8.2%	90,795	1,308	1.5%
2014	1,680,425	(15,330)	-0.9%	103,553	(12,797)	-11.0%	97,485	6,690	7.4%
2015	1,629,897	(50,528)	-3.0%	102,419	(1,134)	-1.1%	101,313	3,828	3.9%

Rockford Public Library

MISSION STATEMENT

The mission of Rockford Public Library is to enhance community life and development by informing, educating, entertaining, and providing cultural enrichment to all people of all ages and by continuously collecting information to address the diverse interests of our dynamic community.

PRIMARY FUNCTIONS

The primary function of the Library is to provide a variety of services to the public through the Main Downtown facility, the five branch extensions, and the Nordlof Center. There are six primary operating divisions throughout the library network.

- **Administrative** - The Administrative Division provides all administrative and support services in order to maintain library operations.
- **Adult Services** - The primary responsibility of the Adult Services Division is to provide information in the form of media and non-print media, as well as instructions for use. This division is also responsible for providing cultural event programs and instructions in utilizing computers for information purposes.
- **Youth Services** - Youth Services provides story programs, children's books, reference materials, periodicals, and non-print media to children, parents, and teachers. An introduction to computers, the Internet, and other electronic information is also available in this division.
- **Circulation** - The primary responsibility of the Circulation Division is to checkout and return library materials, perform borrower's registration, and process reserves and overdue loans.
- **Collection Management & Technical Services** - The primary responsibility of the Collection Management & Technical Services Division is to identify, order, receive, and catalog all library materials for use by the public. It is also responsible for identifying and withdrawing materials no longer needed in the collection.
- **Physical Facilities** - Physical Facilities is responsible for maintaining the appearance and physical operations of the Main Library, Nordlof Center and all branches.
- **Branch Services** - There are five branch divisions of the Rockford Public Library (Montague, Rock River, Northeast, Lewis Lemon, and Rockton). Each division is independent of each other and is supervised by a Manager. The branches provide a basic collection of print, media, and electronic database resources that are appropriate for the community. Each branch also provides circulation, library card registration, reference, programming, and Internet access services to the public.
- **Nordlof Center** – The primary function of the 30,000 square-foot facility is to provide cultural enrichment to the community through a variety of service and venues as a multi-use performance and classroom venue for the region's performing arts and technology training needs.

OBJECTIVES FOR FISCAL YEAR 2016

- Continue to cooperate with ComEd on remediation project at the Main Library.
- Develop and implement a marketing plan for the Nordlof Center to encourage use and increase revenue.
- Increase band-width and technology availability at all sites.
- Improve literacy levels in the community, with a concentration on early childhood and family literacy.
- Increase community attendance at classes and special events to encourage lifelong learning.
- Provide staff training in customer service techniques, technology, reader's assistance and other skills to enable employees to feel comfortable in new roles in the Library.

Rockford Public Library

ROCKFORD PUBLIC LIBRARY BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$4,445,349	$4,881,148	$4,399,461	$4,841,051	($40,097)
CONTRACTUAL	1,684,315	1,646,401	1,470,470	1,710,771	64,370
SUPPLIES	1,370,269	1,462,642	1,349,762	1,412,996	(49,646)
OTHER	87,635	105,500	91,104	105,525	25
INTEREST	224,144	225,000	243,988	244,000	19,000
CAPITAL	154,701	245,500	375,571	431,157	185,657
TOTAL	$7,966,413	$8,566,191	$7,930,356	$8,745,500	$179,309

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
LIBRARY OPERATIONS	$7,218,375	$6,964,491	$7,030,000	$7,030,000	$0
LIBRARY MAINTENANCE	292,962	298,259	300,000	300,000	0
REPLACEMENT TAXES	833,889	810,145	755,000	755,000	0
FINES	111,762	102,944	110,500	95,000	(15,500)
NON-RESIDENT FEES	14,165	12,788	14,000	15,000	1,000
SERVICE CHARGES	25,922	27,105	31,561	35,500	3,939
RENTS AND REIMBURSEMENTS	18,061	30,960	50,000	40,000	(10,000)
INTEREST INCOME/ENDOWMENTS	(208,994)	441,026	10,000	10,000	0
STATE OF ILLINOIS	148,837	199,839	190,000	190,000	0
MISCELLANEOUS	92,529	58,044	75,000	75,000	0
TOTAL	$8,547,508	$8,945,601	$8,566,061	$8,545,500	($20,561)

Rockford Public Library

ROCKFORD PUBLIC LIBRARY AUTHORIZED POSITIONS

POSITION TITLE	POSITION RANGE	2015 FTE	2015 EMPLOYEES	2016 FTE	2016 EMPLOYEES	FTE CHANGE	INCREASE/ (DECREASE)
LIBRARY DIRECTOR	L41	1.00	1	1.00	1	0.00	0.00
ASSISTANT DIRECTOR	L38	1.00	1	1.00	1	0.00	0.00
MANAGER-ADULT SERVICES	L35	1.00	1	1.00	1	0.00	0.00
CHIEF FINANCIAL OFFICER	L35	1.00	1	1.00	1	0.00	0.00
DEVELOPMENT OFFICER	L35	1.00	1	1.00	1	0.00	0.00
ASSISTANT MANAGER-COLLECTIONS	L32	1.00	1	1.00	1	0.00	0.00
PROGRAM OFFICER	L32	1.00	1	0.00	0	(1.00)	(1.00)
ILS SPECIALIST	L32	1.00	1	1.00	1	0.00	0.00
MANAGER-CIRCULATION	L32	1.00	1	1.00	1	0.00	0.00
MANAGER-PHYSICAL FACILITIES	L32	1.00	1	1.00	1	0.00	0.00
MANAGER-BRANCH	L32	3.00	5	3.00	3	0.00	(2.00)
COMMUNITY RELATIONS OFFICER	L29	1.00	1	1.00	1	0.00	0.00
MANAGER-INFORMATION TECHNOLOGY	L29	1.00	1	1.00	1	0.00	0.00
ADMINISTRATIVE SECRETARY	L26	1.00	1	1.00	1	0.00	0.00
PERSONNEL OFFICER	L26	1.00	1	1.00	1	0.00	0.00
INFORMATION TECHNOLOGY ASST	L26	1.00	1	1.00	1	0.00	0.00
NETWORK ADMINISTRATOR	L26	2.00	2	2.00	2	0.00	0.00
MANAGER-NORDLOF CENTER	L26	1.00	1	2.00	2	1.00	1.00
FINANCE/PAYROLL ASSISTANT	L25	1.00	1	1.00	1	0.00	0.00
ASSISTANT-NORDLOF CENTER	L22	0.50	1	0.00	0	(0.50)	(1.00)
ADMINISTRATIVE CLERK	L21	0.50	1	0.50	1	0.00	0.00
COMMUNITY RELATIONS ASSISTANT	L21	1.00	1	1.00	1	0.00	0.00
COMMUNITY RELATIONS CLERK	L20	1.00	2	1.00	1	0.00	(1.00)
PROGRAM COORDINATOR		4.00	4	4.00	4	0.00	0.00
LIBRARIAN		6.00	6	7.00	7	1.00	1.00
LIBRARIAN ASSISTANT		16.00	19	15.50	18	(0.50)	(1.00)
SENIOR LIBRARY CLERK		1.00	1	1.00	1	0.00	0.00
LIBRARY CLERK		21.00	28	21.00	32	0.00	4.00
MAINTENANCE ASSISTANT		3.00	3	3.00	3	0.00	0.00
SENIOR PAGE		0.50	1	0.50	1	0.00	0.00
PAGES		11.00	19	10.12	18	(0.88)	(1.00)
TOTAL PERSONNEL		**87.50**	**110**	**86.62**	**109**	**(0.88)**	**(1.00)**

BUDGET HIGHLIGHTS

- Personnel expense decreases $158,800 due to a decrease in health insurance rates offset by 3% increase in salaries and an increase in IMRF rates.
- Contractual expense increases $64,400 due to an increase in printing and advertising expenses to advertise programs at the Library.

Rockford Public Library

LIBRARY FUND FIVE YEAR FINANCIAL FORECAST (IN 000's)

	2017	2018	2019	2020	2021
Revenues	$8,565	$7,286	$7,377	$7,441	$7,645
Expenses	8,887	9,277	9,686	10,115	10,563
Excess (Deficit)	(322)	(1,991)	(2,309)	(2,674)	(2,918)
Beginning Balance	9,314	8,992	7,001	4,692	2,018
Ending Balance	$8,992	$7,001	$4,692	$2,018	($900)
Property Tax Rates (Cents)					
Operations	30.0	30.0	30.0	30.0	30.0
Maintenance	2.0	2.0	2.0	2.0	2.0
Total Library Rate	32.0	32.0	32.0	32.0	32.0

The five-year financial forecast assumes three percent assessed valuation growth and a 32-cent property tax rate for operations and maintenance tempered by the impact of tax caps. As can be seen in the schedule below, the tax cap erodes the library's fiscal base. Other forms of revenue increase approximately five percent each year. Expenditures for personnel and supply cost are assumed to increase 3% annually; contractual costs are expected to increase 3.5% each year. All other expenditure types (other, interest, capital) are budgeted at current levels.

Tax rate limits are 30 cents for operations and two cents for maintenance.

CAPITAL EQUIPMENT

Planned capital expenditures for 2016 include:

EQUIPMENT	QUANTITY	BUDGET EACH	AMOUNT
RFID-Various locations	1	200,000	$200,000
Replacement Servers-Various locations	3	2,000	6,000
WiFi System replacement-Various locations	5	11,000	55,000
Cisco Router-Lewis Lemon	1	13,875	13,875
Curtains for Sullivan Theater-Nordlof Center	1	10,000	10,000
AHU & Condensing Unit-Nordlof Center	1	39,000	39,000
Security Cameras and locks-Various locations	5	1,300	6,500
Van-East Branch	1	30,000	30,000
Efis-East Branch	1	6,000	6,000
Electrical Access-East Branch	1	24,059	24,059
Interior Signs-East Branch	1	10,000	10,000
CD Shelving-East Branch	1	30,723	30,723
TOTAL			$431,157

Police Department

MISSION STATEMENT

It is the mission of the Police Department to provide for the safety and welfare of the people of Rockford so they may enjoy the benefits of being secure in their person, property, and state of mind. The Department accomplishes this mission by enforcing the law, preserving peace, preventing crime, controlling traffic, and protecting civil rights and liberties.

PRIMARY FUNCTIONS

There are three primary operating bureaus within the Police Department.

- **Administrative Services** - Administrative Services is responsible for functions in divisions that include evidence and property control, administration, fiscal services, recruiting, research and development, personnel, and records.
- **Field Services** - Field Services is responsible for overseeing the patrol division and a variety of special and operational functions, which includes the K9, school liaison unit, traffic division, support services, M3 Team, and Community Services.
- **Investigative Service** - The Investigative Services Bureau is responsible for training, professional standards, and investigative services in divisions including youth investigations, victim/witness assistance, adult investigations, narcotics, and scientific services.

OBJECTIVES FOR FISCAL YEAR 2016

- Reduce violent crime by 5%.
- Complete construction and deploy into District 2 station by December 31, 2016.
- Implement focused deterrence model by summer 2016.
- Deploy Irving Avenue strong house in partnership with United Way.
- Implement a peer-to-peer officer-mentoring program by June 2016.
- Advance operation of the community policing strategy and improving community relations by hosting twenty neighborhood meetings/forums/events throughout the districts and COP’s Strong Houses.
- Provide procedural justice training for all sworn personnel, expand engagement and collaboration with stakeholders and residents in high crime areas and continue to recruit a more diverse police force.
- Analyze data to determine high crime areas, which have little or no representation and implement watch groups with assistance from residents and businesses.
- Continue to expand safety summits for neighborhoods and youth.
- Collaborate with private businesses to paint and refurbish the department’s two FEMA trailers into “mobile learning labs” by September 2016.
- Continue to expand the Youth Explorer program, coordinate with Mayor’s Youth Advisory council and Rockford Public School District 205 to develop a tutoring/mentoring program for middle school at-risk youth.

Police Department

POLICE DEPARTMENT BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$38,195,794	$39,921,486	$39,248,363	$39,800,050	($121,436)
CONTRACTS	8,283,399	9,310,776	8,597,658	9,078,955	(231,821)
SUPPLIES	591,481	658,326	507,586	548,316	(110,010)
OTHER	700,048	688,397	688,397	844,327	155,930
CAPITAL	1,253,580	370,614	357,585	0	(370,614)
TOTAL	$49,024,302	$50,949,599	$49,399,589	$50,271,648	($677,951)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
POLICE PROTECTION	$10,099,087	$9,224,093	$8,731,477	$8,364,405	(367,072)
POLICE PENSION	3,619,410	4,608,968	5,287,122	5,340,427	53,305
SCHOOL CROSSING GUARD	11,869	12,315	12,416	62,432	50,016
FRINGE BENEFIT REIMBURSEMENTS	1,719,582	1,723,621	1,761,114	1,792,571	31,457
911 FRINGE BENEFIT REIMBURSEMENT	469,260	486,566	475,875	486,431	10,556
REPLACEMENT TAXES	790,300	1,096,852	926,566	1,004,250	77,684
MAGISTRATE FINES	726,102	594,727	720,000	600,000	(120,000)
FEES	1,170,099	2,313,150	1,235,595	1,004,300	(231,295)
PARKING SYSTEM PURCHASE SERVICES	123,700	129,600	116,300	117,400	1,100
FROM OTHER GOVERNMENTS	1,345,317	944,123	2,321,864	2,321,864	0
PROPERTY FORFEITURES	58,300	126,345	59,176	60,900	1,724
CAPITAL LEASE FUNDS	2,295,500	1,253,580	342,000	0	(342,000)
GENERAL REVENUES	26,469,425	26,510,362	28,043,040	29,116,668	1,073,628
TOTAL	$48,897,951	$49,024,302	$50,032,545	$50,271,648	$239,103

Police Department

POLICE DEPARTMENT AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
SWORN				
CHIEF	427	1.00	1.00	0.00
DEPUTY CHIEF	424	2.00	2.00	0.00
ASSISTANT DEPUTY CHIEF	423	2.00	2.00	0.00
LIEUTENANT	420	10.00	10.00	0.00
SERGEANT	P-3	30.00	30.00	0.00
INVESTIGATOR	P-2	70.00	70.00	0.00
PATROL OFFICER	P-1	172.00	175.00	3.00
CIVILIAN				
CRIME ANALYST	107	2.00	2.00	0.00
FINANCIAL ANALYST	107	1.00	1.00	0.00
RECORDS SUPERVISOR	109	1.00	1.00	0.00
INFORMATION SYSTEMS TECH	107	2.00	2.00	0.00
FISCAL SERVICES SPECIALIST	105	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASST	105	2.00	2.00	0.00
ASSET SEIZURE ANALYST	105	1.00	1.00	0.00
ADMINISTRATIVE ASST	102	1.00	1.00	0.00
CITIZEN REPORTING ASSIST.	101	6.00	6.00	0.00
POLICE TECHNICIAN	A-22	5.00	5.00	0.00
PROPERTY & EVIDENCE TECHNICIAN	A-22	3.00	3.00	0.00
SENIOR CLERK	A-19	3.00	3.00	0.00
DATA ENTRY OPERATOR	A-18	8.00	8.00	0.00
REDUCTION IN FORCE				
TOTAL PERSONNEL		**323.00**	**326.00**	**3.00**

BUDGET HIGHLIGHTS

- Overtime expense decreases $800,000 and severance expense decreases $375,000 from the adjusted 2015 budget. Decreases are offset $518,000 by general step and longevity increases and a budgeted 2% salary adjustment for all staff. Patrol officer staff level adjusted by three due to a budget error in previous years.
- Pension contribution increases $567,000.
- Contractual expenses decrease slightly due to adjustment in purchase of service charges and telephone/VOIP expenses offset by an increase in wireless expenses and service contracts.
- Supplies expenses decrease due to a reduction in planned equipment and clothing purchases.
- Other expenses reflects the estimated lease payments for vehicles acquired in 2012 through 2015.

Police Department

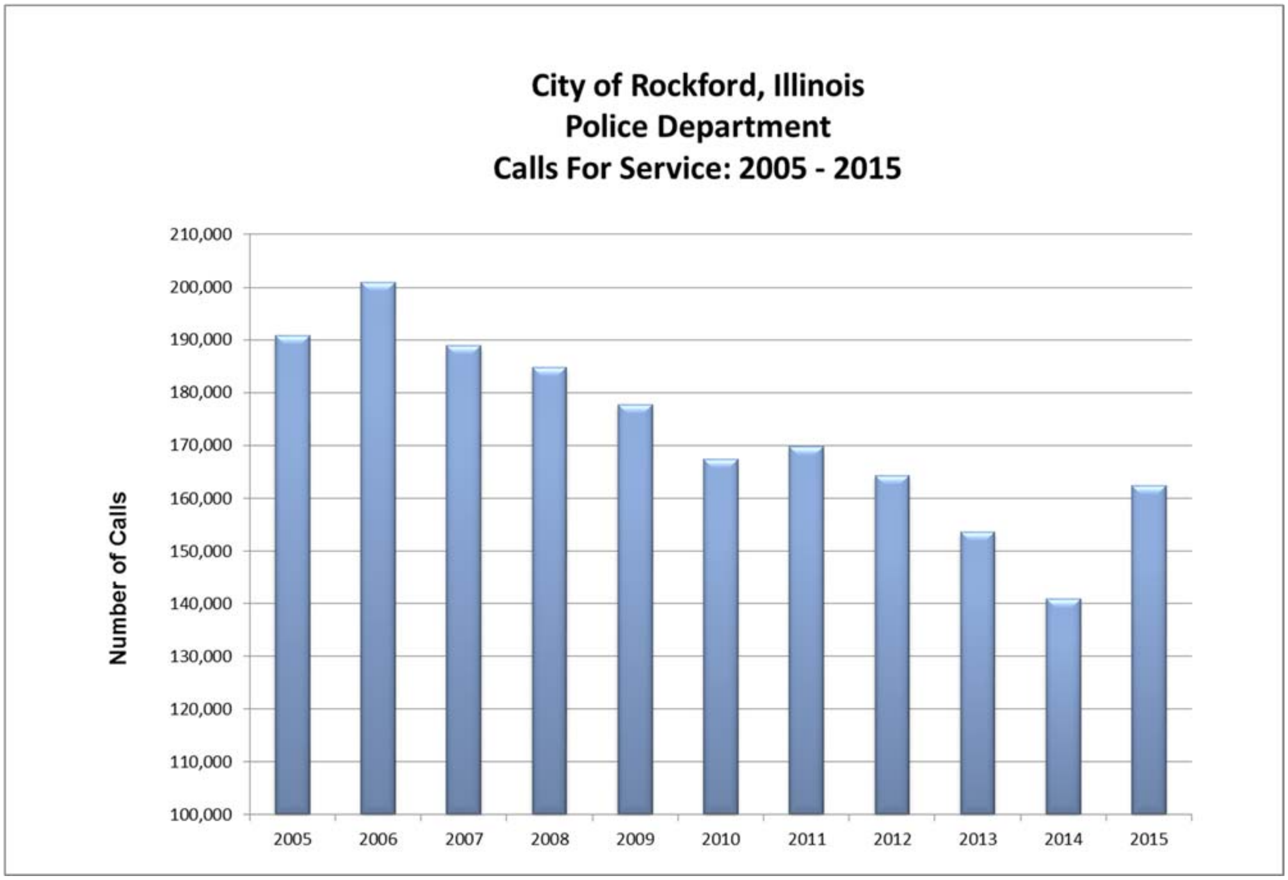
CAPITAL EQUIPMENT

There are no planned capital replacements for 2016.

POLICE DEPARTMENT PERFORMANCE MEASURES

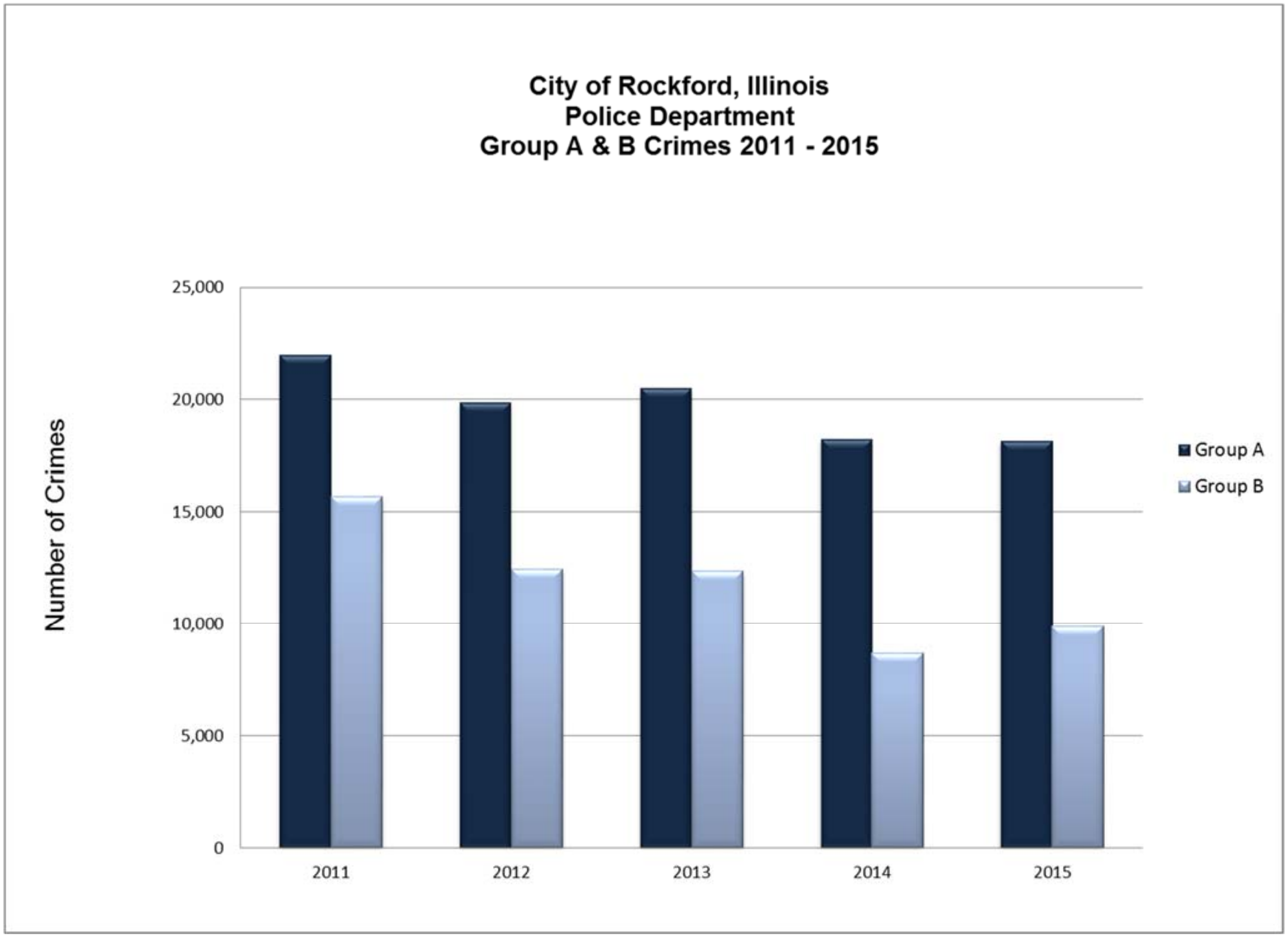
	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
GROUP A OFFENSES	18,217	16,670	18,119	17,213
GROUP B OFFENSES	8,659	9,376	9,872	9,378
% GROUP A OFFENSES CLEARED	36.10%	35.17%	32.70%	35.35%

OPERATIONAL INFORMATION



The chart above demonstrates slight variations in calls over the past ten years with a slight spike in 2006. Calls are down by 14.9% since 2005. Calls in 2015 increased from 2014 to 162,339.

Police Department



As of 2006, the Rockford Police Department records and reports data based on NIBRS (National Incident-Based Reporting System) guidelines. NIBRS criminal offenses are made up of Group A and Group B crimes that include homicide, robbery, assault, burglary, weapon offenses, drug related offenses, criminal damage to property, prostitution, forgery and theft. As of 2015, the amount of Group A Crimes have decreased by 43.10% to 18,119 and Group B crimes have decreased by 48.5% to 9,872. Crimes in 2016 are estimated to decrease from 2015's total.

Fire Department

MISSION STATEMENT

The mission of the Rockford Fire Department is to protect the lives and property of our citizens and customers by ensuring "Excellence in Services" in fire protection and life safety.

PRIMARY FUNCTIONS

There are three primary operating divisions within the Fire Department.

- **Administrative Services** Administrative Services provides the administrative and technical services that are necessary to support the operations of the Department.
- **Operations** The Operations Division is primarily responsible for the eleven fire stations located throughout the City, ambulance service, and disaster management.
- **Fire Prevention/Training** The Fire Prevention/Training Division is comprised of activities aimed at the prevention of emergencies and fires and administering the Department's training program. This division is responsible for inspection and code enforcement, arson investigation, public education, and training.

OBJECTIVES FOR FISCAL YEAR 2016

- Prepare for Center for Public Safety Excellence re-accreditation site visit.
- Continue to work with Rock Valley College to expand the Explorer and Fire Science programs.
- Continue to explore various grant opportunities to further support the department's mission and goals.
- Work to maintain the department's National Incident Management System (NIMS) compliance.
- Continue the work to improve the wellness, heath, and safety of the department members.
- Continue the work that has been conducted to improve community disaster preparedness.
- Maintain the Automotive Service Excellence (ASE) "Blue Seal of Excellence" and certifications relevant to Emergency Vehicle Technician Certifications.
- Expand public education and community risk reduction efforts to include EMS education and to even further reduce injury and property loss due to fire.
- Continue to improve emergency medical service delivery by following the Commission on Accreditation of Ambulance Service (CAAS) Model.
- Continue to improve inspection and fire prevention efforts.
- Conduct a study to determine workload analysis and identify future staffing needs.
- Enhance the department's internal communications process to support the mission.
- Improve managerial processes related to evaluations and discipline.
- Continue to develop an employee development process.
- Explore new and innovative technologies to improve the service levels and efficiencies of the department.
- Provide a plan for facilities and infrastructure maintenance and improvements.
- Define and address service gaps.
- Work to develop alignment with healthcare providers and institutions to mitigate barriers of access to health and wellness among low-income and aging populations.
- Develop a program to replace preemption signals at intersections.
- Conduct annual fire hydrant testing.

Fire Department

FIRE DEPARTMENT BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$36,944,754	$37,767,502	$37,673,403	$37,374,944	($392,558)
CONTRACTUAL	3,860,152	4,253,465	4,537,602	4,618,696	365,231
SUPPLIES	816,029	932,720	966,054	616,555	(316,165)
OTHER	0	1,191,762	1,574,356	1,591,924	400,162
CAPITAL	543,905	581,548	641,705	0	(581,548)
TOTAL	$42,164,840	$44,726,997	$45,393,120	$44,202,119	($524,878)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FIRE PROTECTION	$10,691,650	$9,224,093	$8,731,477	$8,364,405	($367,072)
FIRE PENSION	4,187,971	5,658,956	6,190,579	6,249,520	58,941
FRINGE BENEFIT REIMBURSEMENTS	1,771,836	1,833,506	1,732,008	1,742,034	10,026
911 FRINGE BENEFIT REIMBURSEMENT	170,793	188,095	190,784	195,344	4,560
REPLACEMENT TAX	931,600	90,561	1,038,436	979,495	(58,941)
AMBULANCE CHARGES	4,302,328	4,643,737	4,800,000	5,300,000	500,000
OTHER CHARGES	282,443	157,395	267,000	300,000	33,000
AIRPORT REIMBURSEMENT	1,212,633	173,629	0	0	0
CAPITAL LEASE FUNDS	0	543,905	1,376,000	0	(1,376,000)
GENERAL REVENUES	21,842,212	20,489,493	19,602,921	21,071,321	1,468,400
TOTAL	$45,393,466	$43,003,370	$43,929,205	$44,202,119	$272,914

FIRE DEPARTMENT AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
FIRE CHIEF	427	1.00	1.00	0.00
DIVISION CHIEF	424	3.00	3.00	0.00
DISTRICT CHIEFS	421	6.00	6.00	0.00
EQUIPMENT/SAFETY MANAGER	412	1.00	1.00	0.00
FIRE ANALYST	107	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	105	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT	102	1.00	1.00	0.00
CAPTAIN	F-6	17.00	17.00	0.00
LIEUTENANT	F-5	26.00	26.00	0.00
FIRE INSPECTOR	F-4	7.00	7.00	0.00
DRIVER ENGINEER	F-3	39.00	39.00	0.00
FIREFIGHTER	F-1	152.00	152.00	0.00
FIRE EQUIPMENT SPECIALIST	F-1	2.00	1.00	(1.00)
SENIOR CLERK	A-19	2.00	2.00	0.00
TOTAL PERSONNEL		**259.00**	**258.00**	**(1.00)**

Fire Department

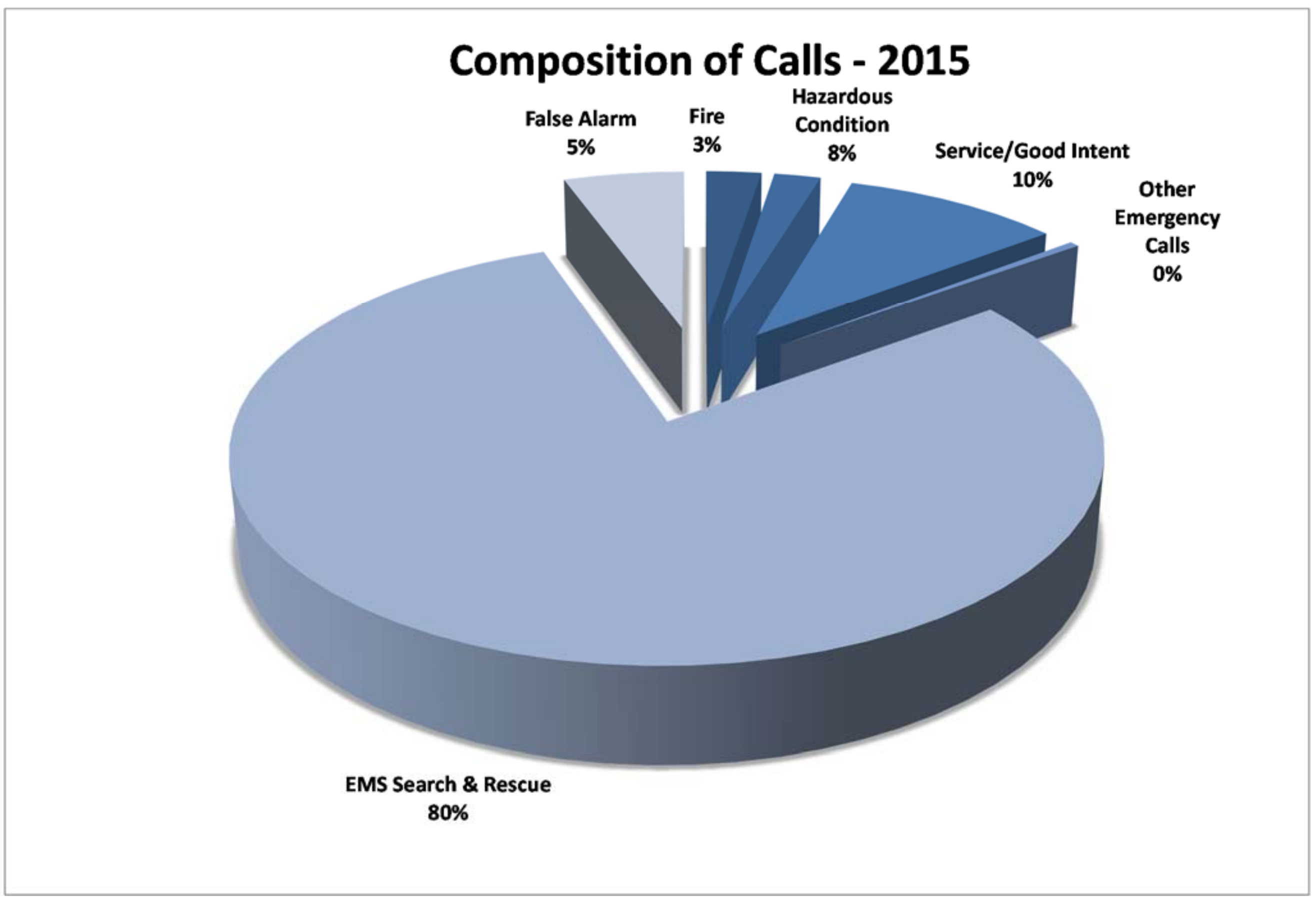
BUDGET HIGHLIGHTS

- Salaries increase $333,877 due to general step and longevity increases, staff movement due to retirements, and budgeting a 2% wage increase for all staff. Increases are offset by continued reductions in staffing due to minimum manning language changes awarded in arbitration. Overtime expenses decrease $1,144,000 from the adjusted 2015 budget due to minimum manning overtime.
- Pension contribution increases $510,000.
- Telephone expenses increase $82,500 from the 2015 supplemental appropriation amount, with the reallocation of phone expenses related to the radio system.
- 911 charges increase $282,000 due to budget increases and expense redistribution in the division.
- Vehicle vendor charges increase $174,000 due to a retirement in the Fire garage and based on actual expenses.
- Other expenses of $1,210,480 include lease payments for vehicles purchased from 2012-2015 and debt service on the new fire station three.

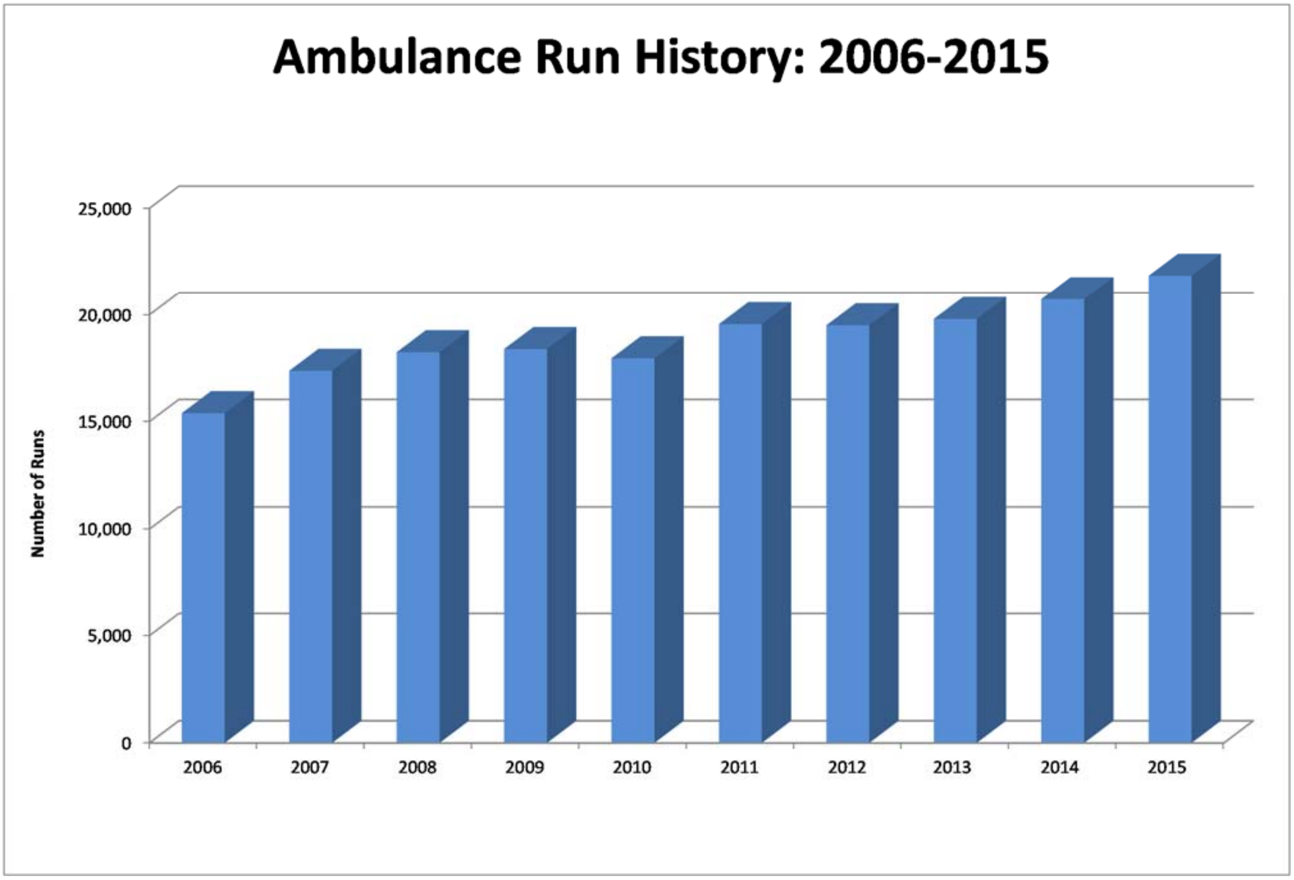
CAPITAL EQUIPMENT

No capital replacements are planned for 2016.

OPERATIONAL INFORMATION



Fire Department



FIRE DEPARTMENT PERFORMANCE MEASURES

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
EMS & SEARCH/RESCUE INCIDENTS	20,732	21,750	21,844	23,649
TOTAL FIRES	638	615	690	754
STRUCTURE FIRE INCIDENTS (RESIDENTIAL)	221	220	232	255
STRUCTURE FIRE INCIDENTS (COMMERCIAL)	49	50	38	45
VEHICLE FIRE INCIDENTS	110	105	138	148
OUTSIDE FIRE INCIDENTS	95	90	133	167
OPEN BURNING INCIDENTS	163	150	149	145
INSPECTIONS	7,525	7,500	5,462	7,500
ARSONS	74	70	57	52
PUBLIC EDUCATION ACTIVITIES	189	200	136	200

911 Communications

MISSION STATEMENT

It is the mission of the 911 Communications Fund to provide the highest quality of communication services for public safety in the most efficient and effective manner possible.

PRIMARY FUNCTIONS

The 911 Division handles both emergency and non-emergency calls for the City of Rockford through the call handling and dispatch process. 911 personnel handle crimes in progress, medical and fire calls, while interacting with the various police and fire agencies that respond to these incidents. The 911 Division also maintains computer aided dispatch or CAD records as well as phone and radio recordings as mandated.

OBJECTIVES FOR FISCAL YEAR 2016

- Begin a staffing analysis to determine optimum staffing levels.
- Fill vacant positions in an effort to minimize overtime expenses.
- Solicit proposals to hire a next generation consultant to assist with the transition to Next Generation 911.
- Prepare for equipment end of life for consoles and dispatch system by preparing cost estimates and specifications for replacement.

911 COMMUNICATIONS FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$5,163,849	$5,421,101	$5,121,855	$5,450,984	$29,883
CONTRACTUAL	214,175	274,465	263,293	224,010	(50,455)
SUPPLIES	12,012	17,750	10,683	15,250	(2,500)
TOTAL	$5,390,036	$5,713,316	$5,395,831	$5,690,244	($23,072)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PURCHASE OF SERVICES					
POLICE DEPARTMENT	$3,312,049	$3,171,551	$3,456,668	$3,447,340	($9,328)
ETS BOARD	0	0	266,826	275,847	9,021
COUNTY	915,054	928,434	570,400	570,400	0
FIRE ALARM	1,382,918	1,306,361	1,352,072	1,396,657	44,585
INTEREST	3,272	(16,311)	0	0	0
TOTAL	$5,613,293	$5,390,035	$5,645,966	$5,690,244	$44,278

911 Communications

911 COMMUNICATIONS FUND AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
911 COMMUNICATIONS MANAGER	412	1.00	1.00	0.00
TRAINING SUPERVISOR	405	1.00	1.00	0.00
TELECOMMUNICATIONS SUPERVISOR	405	4.00	4.00	0.00
COMPUTER SERVICES COORDINATOR	405	1.00	1.00	0.00
ASSISTANT SHIFT SUPERVISOR	A-28	4.00	4.00	0.00
MSAG COORDINATOR	A-24	1.00	1.00	0.00
TELECOMMUNICATOR	A-23	40.00	40.00	0.00
SENIOR CLERK	A-19	1.00	1.00	0.00
TOTAL PERSONNEL		**53.00**	**53.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses increase due to general wage increases for AFSCME, IAFF and non-represented employees, a 2% increase. Wage increases are offset by a reduction in health premiums of $49,700.
- The County funds two 24 hour a day, 7 days a week call-taker positions for total revenue of $570,400.
- The 911 Board will fund the total cost of the MSAG Coordinator position and fifty percent of the cost of the Communication Manager and Training Supervisor positions for a total of $275,847.
- Police call taking and dispatch expenses are $3,447,340 and Fire dispatch is $1,396,657 (total City expense $4,843,997).

911 COMMUNICATIONS FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$5,974,756	$6,291,418	$6,624,863	$6,975,981	$7,345,708
Expenditures	5,974,756	6,291,418	6,624,863	6,975,981	7,345,708
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	$0	$0	$0	$0	$0

The 2017-2021 five year forecast assumes annual increases of five percent for personnel, three percent for contractual and supplies, and five percent for capital equipment. The revenue stream had previously been sixty-percent City and forty-percent County after certain costs were paid directly by the County 911 Fund. In lieu of the separation of dispatch facilities between the City and County dispatchers, the revenue stream is now primarily funded by the City, with only a portion of funds reimbursed by the ETS Board and the County.

911 COMMUNICATIONS FUND PERFORMANCE MEASURES

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
TOTAL NON-EMERGENCY CALLS	105,744	104,157	106,246	107,746
TOTAL EMERGENCY CALLS	134,387	126,323	137,945	141,503
TOTAL POLICE DISPATCHES	195,293	201,932	167,305	157,305
TOTAL FIRE DISPATCHES	25,990	26,190	31,402	36,814

Board of Fire and Police Commissioners

MISSION STATEMENT

It is the mission of the Board of Fire and Police Commissioners to recruit and promote the best available persons possible for sworn positions with the Rockford Fire and Police Departments.

PRIMARY FUNCTIONS

The primary function of the Board of Fire and Police Commissioners is to select sworn personnel in accordance with the employment policy of the City of Rockford, as well as to investigate and conduct hearings regarding complaints alleged against any sworn member of the Rockford Fire and Police Departments.

OBJECTIVES FOR FISCAL YEAR 2016

- Begin testing for Police applicants and develop an eligibility list for hiring.
- Begin testing for Police lieutenants and develop an eligibility list for hiring.
- Begin testing for Fire district chiefs and develop an eligibility list for hiring.
- Select Chief of Police.

BOARD OF FIRE AND POLICE COMMISSIONERS BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	DECREASE)
PERSONNEL	$27,301	$20,840	$24,279	$20,860	$20
CONTRACTUAL	182,670	202,825	169,001	111,675	(91,150)
SUPPLIES	1,634	2,300	1,111	2,300	0
TOTAL	$211,605	$225,965	$194,391	$134,835	($91,130)

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	DECREASE)
GENERAL REVENUES	$146,851	$211,605	$225,965	$134,835	($91,130)

BUDGET HIGHLIGHTS

- Contractual expenses decrease due to testing being required for only Fire district chiefs, Police patrol officers and lieutenants for 2016.

Public Works Administration Division

MISSION STATEMENT

It is the mission of the Public Works Administration Section to provide direction and administrative support to the Department of Public Works

PRIMARY FUNCTIONS

The primary function of the Administrative Section is to manage, supervise, and provide technical and clerical support to the entire Public Works Department's operating divisions.

OBJECTIVES FOR FISCAL YEAR 2016

- Support staff in the implementation of 2016 ward capital plans.
- Continue training modules for Occupational Safety and Health Administration (OSHA) safety compliance committee and provide support to staff involved.
- Continue to support cross training needs of all staff.
- Continue to support staff in providing and analyzing data for RockStat.
- Continue to work with operations managers on process improvements as needed.
- Continue monthly, quarterly and yearly reports on parking system management information.
- Continue to provide City-wide support on administrative and operational needs for special events.
- Continue support for emergency management and disaster recovery planning.
- Provide support for the revamped stormwater management program.

PUBLIC WORKS ADMINISTRATION BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
PERSONNEL	$295,556	$303,923	$307,833	$308,291	$4,368
CONTRACTUAL	60,479	62,230	60,475	56,478	(5,752)
SUPPLIES	5,817	9,100	5,945	9,100	0
OTHER	0	40,294	40,294	3,820	(36,474)
TOTAL	$361,852	$415,547	$414,547	$377,689	($37,858)

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
PROPERTY TAXES REIMBURSEMENTS	$46,601	$47,191	$47,077	$48,393	$1,316
INTERDIVISIONAL PURCHASE OF SERVICES	262,000	263,900	269,800	273,500	3,700
GENERAL REVENUES	75,537	50,761	98,670	55,796	(42,874)
TOTAL	$384,138	$361,852	$415,547	$377,689	($37,858)

PUBLIC WORKS ADMINISTRATION DIVISION AUTHORIZED POSITIONS

	POSTION	2015	2016	INCREASE/
POSITION TITLE	**RANGE**	**EMPLOYEES**	**EMPLOYEES**	**(DECREASE)**
DIRECTOR	316	1.00	1.00	0.00
PW SUPERINTENDENT	213	1.00	1.00	0.00
TOTAL PERSONNEL		**2.00**	**2.00**	**0.00**

Public Works Administration Division

BUDGET HIGHLIGHTS

- Personnel expenses increase for a budgeted 2% salary adjustment and an increase in IMRF rates are offset by a decrease in health insurance rates.
- Contractual expenses decrease due to the implementation of a new phone system, which is offset by an increase in microcomputer and building rent.
- Other expenses decrease as a one-time adjustment for prior employee benefits transfer to Rockford Metropolitan Agency for Planning was completed in 2015.

Engineering Division

MISSION STATEMENT

It is the mission of the Engineering Division to provide design services and construction management for all capital construction projects. The Division reviews plans for single site and subdivision development, issues permits for work within the public right-of-way, and maintains records of the City's infrastructure in order to provide and maintain a standard of living and services for the community.

PRIMARY FUNCTIONS

The primary function of the Engineering Division is to provide design services and construction management for all capital construction projects. This Division is also charged with the review and approval of plans for single site and subdivision development, permitting work within the public right-of-way, record keeping of the City's infrastructure, traffic engineering analyses related to the safe and efficient movement of people and goods within the City, accident crash analysis for signaled and un-signaled intersections, safety analysis for schools, geometric design of existing and planned roadways and intersections including support of the land development process, and street lighting analysis for all citizen requests.

OBJECTIVES FOR FISCAL YEAR 2016

- Continue implementation of the City's Stormwater Management Program.
- Continue inspections for industrial high risk run off program and for illicit discharge of pollutants into our storm sewer system.
- Complete the biennial outfall and creek erosion inspections.
- Work with Water Division Lab for sample testing training.
- Begin process for joining the Community Rating System.
- Continue to develop a "grant" program with application process for city in-kind services for community events.
- Continue to coordinate transfer of management of the Outdoor Market Pavilion.
- Evaluate cost savings and coordinate possible continuation of streetlight reduction program.
- Continue to work with Rockford Community Partners on beautification projects.
- Continue evaluation of Forest City Beautiful pilot program and coordinate with Rockford Area Convention and Visitors Bureau (RACVB) on process improvements.
- Revamp the banner and basket program as needed during new corridor and neighborhood lighting installation.
- Continue coordinating with the Construction and Development Services Division on process improvements to improve customer service for permits.
- Continue to cooperate with health care systems within Rockford during facility expansions.
- Continue to develop and implement enforcement procedures for right-of-way and stormwater ordinance violations.
- Continue emergency management training for staff.
- Continue multi-agency coordination for drafting a Pre-Disaster Recovery Plan.
- Continue to develop GIS integration with Hansen Asset Management.
- Continue to develop a geometric network (GIS model rules) for storm and water utilities.
- Continue to implement GIS collection of storm and water utilities.
- Continue to inventory (GPS) and map the City's cut-off boxes.

Engineering Division

- Continue to review and verify storm water and water utilities.
- Continue to review and revise the water infrastructure improvement program book.
- Work with the consultant to update the Hydraulic Water Model and High Risk Water Model.
- Develop and implement a plan to bring the Hydraulic Water Model and the High Risk Water Model in-house so that city staff can analyze the system as needed.
- Develop a method to hyperlink as-built drawings and photos to all utilities.
- Continue to redesign and organize the facilities management drive (GIS Asset Management Section).
- Continue to update and maintain all Public Works GIS layers and attributes.
- Seek to further integrate technology into process improvement in the conduct of daily tasks.
- Promote staff development through continued education and training.
- Continue to cross train staff to create contingency plans when need and demand arises.
- Continue to seek opportunities to reach out to other communities or agencies to share, promote and cultivate new ideas and improve processes.

ENGINEERING DIVISION BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$523,908	$755,126	$583,709	$771,256	$16,130
CONTRACTUAL	159,521	242,855	167,845	243,735	880
SUPPLIES	23,025	30,750	16,580	30,750	0
OTHER	6,012	7,166	7,166	8,282	1,116
CAPITAL	10,303	0	0	0	0
TOTAL	$722,769	$1,035,897	$775,300	$1,054,023	$18,126

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS	$111,613	$81,950	$112,170	$116,614	$4,444
FEES	15,443	23,502	16,000	16,000	0
WATER PURCHASE OF SERVICES	431,790	471,840	491,170	413,590	(77,580)
CIP PURCHASE OF SERVICES	0	0	226,520	229,630	3,110
CAPITAL LEASE FUNDS	123,763	0	50,000	0	(50,000)
GENERAL REVENUES	398,928	145,477	192,617	278,189	85,572
TOTAL	$1,081,537	$722,769	$1,088,477	$1,054,023	($34,454)

Engineering Division

ENGINEERING DIVISION AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
CITY ENGINEER	214	0.40	0.40	0.00
ENGINEERING OPERATIONS MANAGER	212	0.40	0.40	0.00
WATER ENGINEER	111	1.00	1.00	0.00
STORM WATER PROJECT MANAGER	110	0.40	0.40	0.00
SR PROJECT MANAGER	110	0.50	0.50	0.00
ASST OPERATIONS MANAGER	110	0.50	0.50	0.00
PROJECT MANAGER	109	0.50	0.50	0.00
SENIOR ENGINEERING TECHNICIAN	105	3.40	3.40	0.00
SR OFFICE ASSISTANT	105	1.00	1.00	0.00
CUSTOMER RELATIONS TECH	103	1.00	1.00	0.00
TOTAL PERSONNEL		**9.10**	**9.10**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses increase with wage adjustments for division staff, offset by decreases in health premiums.
- The balance of changes in the budget include small adjustments in purchase of services charges.
- Other expenses of $8,282 will cover estimated lease payments for vehicles acquired from 2012-2015.

CAPITAL EQUIPMENT

No capital replacements are planned for 2016.

ENGINEERING DIVISION PERFORMANCE MEASUREMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
SITE PLANS REVIEWED	149	130	136	30
% OF SITE PLANS REVIEWED, LESS THAN 14 DAYS	98%	95%	99%	95%
DEVELOPMENT PLANS REVIEWED	20	20	23	20
% OF DEV PLANS REVIEWED, LESS THAN 21 DAYS	96%	95%	96%	95%
ROW/DRIVEWAY PERMITS ISSUED	1,852	1,750	2,091	1,750
% OF ROW/DRIVEWAY PERMITS ISSUED IN 1 DAY	98%	95%	99%	95%
STORMWATER OUTFALLS INSPECTED (EVEN YRS)	849	NA	NA	960
MILES OF CREEK INSPECTED (EVEN YRS)	19	NA	NA	TBD
INDUSTRIAL HIGH RISK INSPECTIONS	121	100	123	108
EROSION CONTROL INSPECTIONS	205	200	264	250
ILLICIT DISCHARGE INVESTIGATIONS	33	20	43	35
NPDES PERMIT WATER/STORMWATER SAMPLES	90	90	85	50
SWPPP REVIEWS	NA	NA	37	35
STORMWATER SERVICE REQUESTS	NA	NA	NA	150

Capital Projects Fund

MISSION STATEMENT
It is the mission of the Capital Projects Division to provide community facilities and services through a planned program of infrastructure replacements and additions.

PRIMARY FUNCTIONS
The primary functions of the Capital Projects Division include:
- Planning, development, and management of the City's five-year Capital Improvement Program. This includes setting priorities for infrastructure repair, replacement, and expansion of various facilities, including parking facilities, surface transportation, storm water management, sanitary sewers, and water distribution and production.
- Meeting with various local, state, and federal agencies to secure funding for major projects. This includes preparing grant applications for grant funding to reduce the local public financing burden.
- Implementing projects through negotiation of professional engineering and architectural contracts, preparation of bid specifications for competitive public bidding, administration of consultant and contractor payments, and preparing capital project information to the general public.
- Coordinating administrative activities associated with capital improvement projects, including the development of intergovernmental agreements, the acquisition of right-of-way, the conducting of public meetings, the notification of residents and businesses, the preparation and approval of final project plans and specifications, the recommending of contract awards, and the approval of project related payments and contract change orders.

OBJECTIVES FOR FISCAL YEAR 2016
- Continue utilizing the Capital Improvement Program to fulfill our core values of enhancing public safety, maintaining and improving the movement of commerce and economic activity, and promoting a sense of well-being for the community.
- Complete construction of the Downtown Sports Complex and associated parking facilities.
- Commence construction of the Harrison Avenue corridor reconstruction project.
- Coordinate with IDOT on the completion of the South Main Street reconstruction.
- Coordinate with IDOT on the North Main Street reconstruction project.
- Continue coordination with IDOT on land acquisition and utility issues on Phase II of the West State Street reconstruction project.
- Coordinate with the Winnebago County Highway Department on the improvements to the East State Street and Bell School Road intersection with the eventual transfer of Bell School Road to a City street.
- Complete construction of the Illinois Railway Rock River bridge conversion to a pedestrian path.
- Remove two obsolete and unused bridges over Keith Creek.
- Complete repairs to one bridge and remove an unused bridge in the Whitman Interchange.
- Complete design on the North Alpine Road box culvert replacement project.
- Continue to target improvement of our arterial and collector street network with resurfacing projects on portions of South Alpine Road, West State Street, 11th Street, and 7th Street.
- Aggressively implement the neighborhood improvement program by finalizing the Aldermen's 2016 Ward plans in early spring and structuring contracts to reach substantial completion by November 1, 2016.
- Identify strategic arterial and collector streets that need improvement and develop an inventory with targeted year for implementation.

Capital Projects Fund

- Finalize the updated Pavement Condition Index data and incorporate into the City GIS database for utilization as a tool in a data-driven approach for infrastructure maintenance.
- Continue development of new sidewalk and ADA layers in GIS to track sidewalk repairs.
- Continue investment into a City-wide sidewalk transition plan for compliance with the Americans with Disabilities Act (ADA).
- Continue to reconstruct intersection sidewalk ramps to current ADA standards at all intersections in conjunction with adjacent street resurfacing projects.
- Identify sidewalk and/or pedestrian path continuity gaps throughout the community and develop a project implementation plan.
- Continue work on regional transportation issues through active participation in the Rockford Metropolitan Agency for Planning (RMAP).
- Continue coordination with the Police Department on the design and construction of three new public safety buildings.
- Continue program support for the Water Division, including analysis of existing systems and facilities within the design cycle of road projects.
- Continue fulfilling goals of the 2015-2019 Implementation Plan.
- Continue the sign replacement program for compliance with the Retroreflectivity Plan.
- Continue study of removal of obsolete traffic signals and signage.
- Complete final two blocks of 7th Street Corridor lighting replacement.
- Implement Highway Safety Improvement Program "Road Diet" on Sandy Hollow Road from 20th Street to Alpine Road.
- Continue standardization of yellow and red light times for all City owned traffic signals.
- Continue to coordinate with the parking management vendor.
- Evaluate possible pilot program for paid on street and surface lot parking.
- Complete Church South Parking Deck rehabilitation project.
- Continue to cultivate and develop future corridor studies and project development with partner agencies.
- Continue to implement the Stormwater Master Plan including drainageway repairs and nuisance drainage improvements.
- Complete the regional detention pond in Harmon Park.
- Complete maintenance improvements to the Kent Creek South Diversion Channel.

Capital Projects Fund

CAPITAL PROJECTS DIVISION BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$1,821,223	$1,847,381	$1,927,176	$1,853,387	$6,006
CONTRACTUAL	5,736,047	765,815	5,401,927	789,331	23,516
SUPPLIES	265,917	16,700	712,150	16,700	0
OTHER	782,055	751,245	1,621,133	741,570	(9,675)
CAPITAL	28,198,255	50,940,508	40,337,627	26,469,012	(24,471,496)
TOTAL	$36,803,497	$54,321,649	$50,000,013	$29,870,000	($24,451,649)

ACTUALS EXCLUDE WATER AND PARKING PROJECTS; THESE ARE TRANSFERRED TO THEIR RESPECTIVE FUNDS.

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
STATE MOTOR FUEL TAX	3,034,986	3,762,680	3,200,000	2,420,000	(780,000)
LOCAL SALES TAX	15,586,806	15,524,262	15,500,000	15,950,000	450,000
WATER REPLACEMENT IMPROVEMENT	4,717,972	4,606,412	4,800,000	4,800,000	0
OTHER GOVERNMENTS/PRIVATE	4,099,907	7,543,787	26,260,000	5,000,000	(21,260,000)
INTERFUND TRANSFERS	1,200,000	1,200,000	1,150,000	1,500,000	350,000
INTEREST INCOME	236,591	(683,710)	200,000	200,000	0
TOTAL	$28,876,262	$31,953,431	$51,110,000	$29,870,000	($21,240,000)

APPROPRIATIONS AND REVENUES MAY NOT MATCH DUE TO MULTIPLE YEAR FINANCING OF CAPITAL PROJECTS.

Capital Projects Fund

CAPITAL PROJECTS DIVISION AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
CITY ENGINEER	214	0.60	0.60	0.00
IMPLEMENTATION ENGINEER	213	1.00	0.00	(1.00)
TRAFFIC ENGINEER	212	1.00	1.00	0.00
ENGINEERING OPERATIONS MANAGER	212	0.60	0.60	0.00
CIP OPERATIONS MANAGER	212	1.00	1.00	0.00
STORM WATER PROJECT MANAGER	110	0.60	0.60	0.00
ASST TRAFFIC ENGINEER	110	1.00	1.00	0.00
SR PROJECT MANAGER	110	1.50	1.50	0.00
ASST OPERATIONS MANAGER	110	0.50	0.50	0.00
ENVIRONMENTAL PROJECT COORDINATOR	110	1.00	1.00	0.00
PROJECT MANAGER	109	3.50	3.50	0.00
CIP PROGRAM SR ANALYST	108	1.00	1.00	0.00
STORM WATER/ENVIRON COORDINATOR	107	1.00	1.00	0.00
SENIOR CONSTRUCTION TECHNICIAN	105	1.00	1.00	0.00
SENIOR ENGINEERING TECHNICIAN	105	2.60	3.60	1.00
CIP ACCOUNTING TECHNICIAN	105	1.00	1.00	0.00
TOTAL PERSONNEL		**18.90**	**18.90**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses adjust slightly as wage increase and a budgeted 2% salary adjustment are offset by a reduction in health insurance premiums.
- The balance of changes in the budget include minor adjustments to contractual and supply accounts to adjust for actual expense, as well as in purchase of service charges.

CAPITAL PROJECTS FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$32,136	$33,100	$34,093	$35,116	$36,169
Expenses	32,136	33,100	34,093	35,116	36,169
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	$0	$0	$0	$0	$0

The 2017-2021 five-year forecast assumes that the City will continue to have a balanced capital replacement and construction program funded by a variety of resources, both long and short term.

Motor Fuel Tax Fund

MISSION STATEMENT

It is the purpose of the Motor Fuel Tax Fund to provide dedicated revenues from taxes on gasoline and diesel sales for road maintenance and construction. Revenues are distributed by the State of Illinois on a per capita basis from its tax on motor fuels.

PRIMARY FUNCTION/FUND HIGHLIGHTS

The Motor Fuel Tax Fund is dedicated to road improvements. Based upon the annual requirements of the Capital Projects Fund, funds are transferred from this Fund to the Capital Projects Fund to finance certain construction projects. Motor fuel taxes are generated by a flat rate of cents per gallon, 19.0 for gasoline and 21.5 for diesel fuel.

MOTOR FUEL TAX FUND BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATE	BUDGET	(DECREASE)
TRANSFERS TO					
GENERAL FUND	$1,150,000	$2,500,000	$2,500,000	$1,500,000	($1,000,000)
RMAP FUND	76,292	76,300	76,300	76,300	0
CAPITAL PROJECTS FUND	1,640,126	3,740,000	3,740,000	2,420,000	(1,320,000)
TOTAL	$2,866,418	$6,316,300	$6,316,300	$3,996,300	($2,320,000)

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
STATE MOTOR FUEL TAX	$4,393,002	$5,090,851	$4,503,500	$4,503,500	$0
TRANSFER FROM CIP	0	0	0	0	0
INTEREST INCOME	3,787	2,251	284,000	10,000	(274,000)
TOTAL	$4,396,789	$5,093,102	$4,787,500	$4,513,500	($274,000)

BUDGET HIGHLIGHTS

The 2016 budget calls for $2.42 million in transfers to the Capital Projects Fund and $1,500,000 to the General Fund for eligible street lighting expenses. The General Fund, in turn, will transfer $1,500,000 to the Capital Projects Fund for projects.

MOTOR FUEL TAX FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$4,811	$4,821	$4,831	$4,842	$4,853
Expenses	4,479	4,481	4,483	4,486	4,489
Excess (Deficit)	332	340	348	356	364
Beginning Balance	10,243	10,575	10,915	11,263	11,619
Ending Balance	$10,575	$10,915	$11,263	$11,619	$11,983

Motor Fuel Tax Fund

The 2017-2021 five year forecast assumes growth as projected by the State for tax revenues and assumes expenditures essentially equal to annual revenues. The State of Illinois assumes stagnant growth, for the taxes on motor fuels, with an annual deviation of plus or minus two percent influenced by the severity of winter weather and the pump price.

Street Maintenance Division

MISSION STATEMENT

It is the mission of the Street Maintenance Division to clean, regulate, and repair all street right-of-ways within the city limits of the City of Rockford.

PRIMARY FUNCTIONS

The primary function of the Street Maintenance Division includes street cleaning, street maintenance, repairing storm sewers, maintaining trees and turf, ensuring roadways are cleared of snow and ice conditions, and all administrative functions.

- Completing city-wide street sweeping services, all street patching and repair, and road and bridge maintenance.
- Maintenance and repair of all storm sewers, including contracting for inlet repairs and cleaning intakes and lines.
- Trimming and removal of trees, removal of tree stumps, as well as maintenance of drainage ways and other turf areas.
- Responsible for ensuring the streets are free of snow and ice during the winter months.

OBJECTIVES FOR FISCAL YEAR 2016

- Work with tree removal contractors to assure Forestry operations stay ahead of the ash tree crisis.
- Institute an aggressive media campaign to stimulate interest in order to meet a goal of replanting 1,000 trees annually.
- Continue to work with CIP to integrate a corridor maintenance plan to coincide with newly reconstructed gateway arterial streets.
- Continue training for forestry personnel to prepare for Arborist certification.
- Focus appropriate level of manpower for pothole patching when needed to address seasonal issues.
- Continue to outsource labor and services as needed to maintain City streets, rights of way, and drainage areas.

Street Maintenance Division

STREET MAINTENANCE DIVISION BUDGET SUMMARY

APPROPRIATION	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$3,070,641	$2,888,248	$2,516,732	$2,586,693	$69,961
CONTRACTUAL	4,531,387	5,348,785	4,794,760	5,697,858	903,098
SUPPLIES	1,154,674	2,147,043	1,384,000	1,384,000	0
OTHER	447,889	577,092	548,108	685,177	137,069
CAPITAL	5,000,565	2,021,477	187,000	0	(187,000)
TOTAL	$14,205,156	$12,982,645	$9,430,600	$10,353,728	$923,128

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
STREET AND BRIDGE	$1,878,910	$1,537,740	$1,455,246	$1,458,731	$3,485
REIMBURSEMENTS	440,009	468,669	415,101	430,103	15,002
OTHER GOVERNMENTS	350,000	350,000	350,000	350,000	0
TRANFERS FROM OTHER FUNDS	2,204,550	2,629,435	2,994,818	3,355,143	360,325
CAPITAL LEASE FUNDS	0	2,021,477	187,000	0	(187,000)
GENERAL REVENUES	2,875,780	5,975,324	4,028,435	4,759,751	731,316
TOTAL	$7,749,249	$12,982,645	$9,430,600	$10,353,728	$923,128

STREET MAINTENANCE DIVISION AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
MAINTENANCE SUPERVISOR	108	2.00	2.00	0.00
SENIOR TREE TRIMMER	A-26	2.00	2.00	0.00
TREE TRIMMER	A-24	5.00	5.00	0.00
EQUIPMENT OPERATOR	A-23	6.00	6.00	0.00
SENIOR CLERK	A-23	2.00	2.00	0.00
SENIOR SECRETARY	A-20	1.00	1.00	0.00
MAINTENANCE WORKER	A-20	13.00	13.00	0.00
TOTAL PERSONNEL		**31.00**	**31.00**	**0.00**

BUDGET HIGHLIGHTS

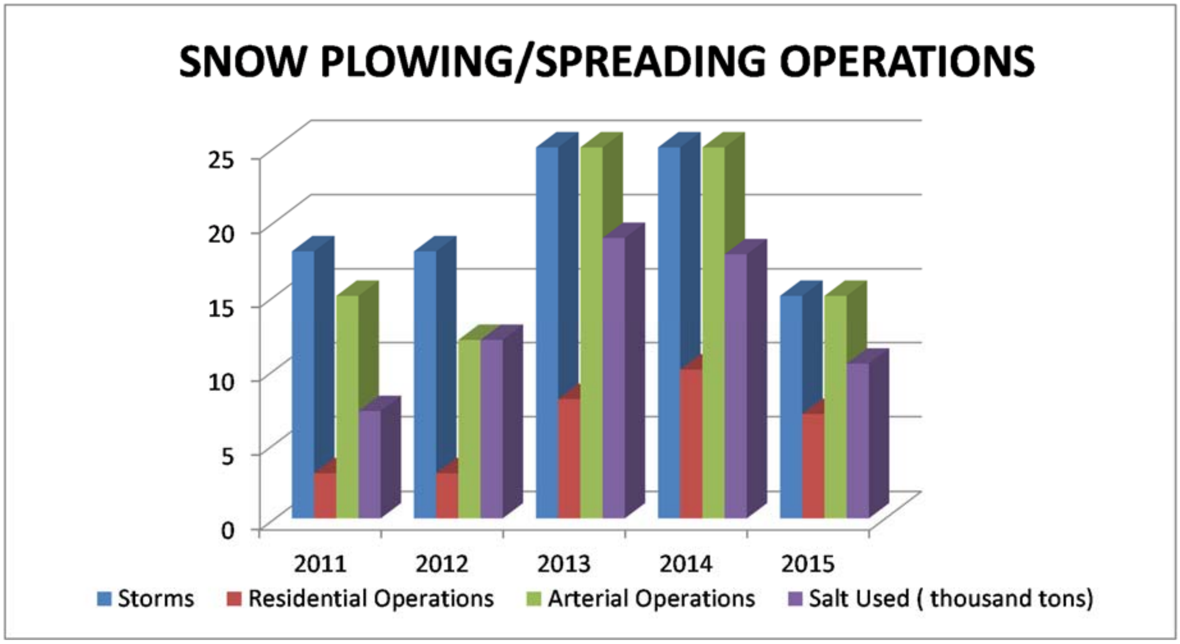
- Personnel budget numbers reflect a budgeted 2% wage increase for all staff.
- Contractual expenses increase $903,100 due to increases in charges from internal service funds.
- Estimated lease payments for capital acquired from 2012-2015 are budgeted at $513,022.
- A transfer from the Sanitation Fund will cover both street sweeping and forestry operation in the Street Division, accounting for 33.1% of the total revenue for the budget unit.

Street Maintenance Division

CAPITAL EQUIPMENT

No capital replacements are planned for 2016.

OPERATIONAL INFORMATION



STREET DIVISION PERFORMANCE MEASUREMENTS

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
AVERAGE OPEN POTHOLE REQUESTS	133	150	42	75
% OF ARTERIAL POTHOLES FILLED, LESS THAN 10 DAYS	NA	NA	90%	90%
% OF RESIDENTIAL POTHOLES FILLED, LESS THAN 30 DAYS	NA	NA	96%	90%
MILES OF STREET SWEPT	1,897	1,800	1,613	2,200
TREES TRIMMED	2,725	2,500	2,384	2,400
TREES REMOVED	1,165	2,200	1,587	1,800
TREES PLANTED	686	1,000	530	1,000
AVERAGE OPEN FORESTRY REQUESTS	244	150	86	90
AVG DAYS TO CLOSE FORESTRY REQUESTS	184	120	62	75
TOTAL REQUESTS	6,553	8,000	7,271	7,500
TOTAL OPEN REQUESTS	445	400	194	200

Traffic Division

MISSION STATEMENT
It is the mission of the Traffic Division to regulate all traffic activity on City streets in order to ensure the safety of pedestrians and motorists is provided.

PRIMARY FUNCTIONS
The primary functions of the Traffic Engineering Division include:
- Installation and maintenance of traffic signals, corridor signal systems, emergency vehicle preemption, and special event traffic control equipment.
- Roadway sign fabrication, installation and maintenance for the roadway signs and pavement marking maintenance within the City.
- Repair of City-owned street lighting equipment within the downtown and other outlying business districts.

OBJECTIVES FOR FISCAL YEAR 2016
- Continue to institute phase one plan for centralized traffic control center.
- Continue to work with Tactics software to improve connectivity with field units.
- Research and develop a plan to reduce energy consumption for street lights.
- Continue a four year plan to replace failing traffic signal LEDs.
- Continue to upgrade traffic lights with LED lights.
- Continue to lay fiber optic cable and improve the surrounding network.
- Work with outside partners to develop a plan for a new infrastructure system.
- Continue to upgrade signage in accordance with the Manual on Uniform Traffic Control Devices mandate of 2015.
- Research pricing options for the City to have its own striper to improve quality.
- Work with Fire Department to endorse new preemption system.
- Upgrade pedestrian signals to LED.
- Replace fiber optics on State Street between Buckley and Perryville.
- Install electricity for new North End City market location.
- Upgrade M2 through M40 type controllers to M50 type.

Traffic Division

TRAFFIC DIVISION BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$913,536	$962,910	$939,783	$1,008,138	$45,228
CONTRACTUAL	2,517,506	2,798,612	2,766,267	2,656,694	(141,918)
SUPPLIES	330,200	337,000	328,239	357,000	20,000
OTHER	102,791	136,980	136,980	109,826	(27,154)
CAPITAL	0	68,170	33,627	0	(68,170)
TOTAL	$3,864,033	$4,303,672	$4,204,896	$4,131,658	($172,014)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMEN	$168,210	$172,029	$169,636	$174,780	$5,144
PURCHASE OF SERVICES	24,500	25,400	26,600	64,300	37,700
FROM OTHER GOVERNMENTS	0	138,029	180,000	180,000	0
I-FIBR JULIE LOCATES	0	0	25,000	25,000	0
TRANSFERS FROM OTHER FUNDS	1,200,000	1,200,000	2,500,000	1,500,000	(1,000,000)
CAPITAL LEASE FUNDS	0	0	247,000	0	(247,000)
GENERAL REVENUES	2,318,521	2,328,575	1,106,131	2,187,578	1,081,447
TOTAL	$3,711,231	$3,864,033	$4,254,367	$4,131,658	($122,709)

PUBLIC WORKS TRAFFIC DIVISION AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
TRANSP/PROP MANAGER	110	1.00	1.00	0.00
TRAFFIC SIGNAL SUPERVISOR	108	1.00	1.00	0.00
CREW LEADER	A-28	1.00	1.00	0.00
TRAFFIC SIGNAL REPAIRER	A-26	5.00	5.00	0.00
SIGN/MARKING TECHNICIAN	A-22	2.00	2.00	0.00
SENIOR CLERK	A-19	1.00	1.00	0.00
TOTAL PERSONNEL		**11.00**	**11.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses increase due to general step and longevity increases, a budgeted 2% salary adjustment, and an increase in IMRF expense.
- Contractual expenses decrease from the adjusted 2015 budget due to a decrease in expected utility costs. The decrease is offset by adjustment in internal service charges for microcomputer, property maintenance and vehicle repairs.
- Other expenses decrease as a one-time adjustment for prior employee benefits transfer to Rockford Metropolitan Agency for Planning was completed in 2015. This adjustment is offset by a slight increase in estimated lease payments for vehicles acquired from 2012 through 2015.

CAPITAL EQUIPMENT

There are no planned capital replacements for 2016.

Traffic Division

TRAFFIC DIVISION PERFORMANCE MEASURES

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
SIGNAL BULB OUTAGE REPAIRED W/IN 24 HOURS	97%	95%	95%	95%
STREET LIGHT OUTAGE REPAIRED W/IN 5 DAYS	98%	95%	95%	95%
SIGN REPAIR/REPLACE W/IN 5 DAYS	97%	95%	95%	95%

Parking Division

MISSION STATEMENT

It is the mission of the Parking Division to provide quality parking for a variety of users with differing time needs in the City commercial business districts.

PRIMARY FUNCTIONS

The primary function of the Parking Division is to provide lot maintenance, issue tickets, and collect parking fees in the various facilities of the Motor Vehicle Parking System (MVPS).

OBJECTIVES FOR FISCAL YEAR 2016

- Install solar sinks in parking lot sprinkler systems, which monitor moisture, heat, and water accordingly to reduce water use.
- Begin repairs on significant degradation at the Concourse Parking Deck.
- Continue to work with ABM in managing the parking system for the City and looking for ways to increase revenue including advertising.
- Install new illuminated parking signs for all surface lots.
- Continue to upgrade landscape at all decks and parking lots.
- Aerate grass and install water spigot in Lot G.
- Irrigate Lot 38 and F.
- Repave Lot X, K and K1.
- Restripe west side surface parking lots.

PARKING DIVISION BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$220,890	$263,063	$264,492	$248,659	($14,404)
CONTRACTUAL	1,314,589	1,334,188	1,297,214	1,246,301	(87,887)
SUPPLIES	16,714	45,620	71,504	35,500	(10,120)
OTHER	1,181,878	1,037,093	1,040,797	1,231,907	194,814
TOTAL	$2,734,071	$2,679,964	$2,674,007	$2,762,367	$82,403

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PARKING FEES	$1,070,568	$1,317,708	$1,280,000	$1,601,668	$321,668
FINES	357,307	753,819	515,800	518,442	2,642
RENTAL/INTEREST INCOME	157,209	110,316	142,900	136,449	(6,451)
PURCHASE OF SERVICES	24,600	50,100	26,300	46,600	20,300
STATE OF IL GOVERNMENT	9,267	0	0	0	0
TRANSFER FROM CIP	0	0	0	240,000	240,000
TOTAL	$1,618,951	$2,231,943	$1,965,000	$2,543,159	$578,159

Parking Division

PARKING DIVISION AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
PARKING SYSTEMS SUPERVISOR	108	1.00	1.00	0.00
PARKING SYSTEM REPAIRER	A-22	2.00	2.00	0.00
TOTAL PERSONNEL		**3.00**	**3.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses decrease slightly from the adjusted 2015 budget due to retirement of the parking systems supervisor and offset by wage increases due to general longevity and step increases, and a budgeted 2% salary adjustment.
- Contractual expenses decrease due to adjustments in internal service charges.
- Other expenses increase due to additional debt service payment for the Concourse Deck repairs.
- The 2016 net is a loss of $219,208; net of depreciation, it is a gain of $412,792.
- The 2016 budgeted cash out, which includes capital purchases, the principal portion of the payments on debt service, less depreciation is $2,610,367.

FIXED ASSETS

Planned fixed assets for 2016 include:

FIXED ASSET INVESTMENT

	QUANTITY	BUDGET EACH	TOTAL BUDGET
Install solar sinks in parking lot sprinkler systems	1	25,000	25,000
Repairs on stairwells at Concourse Parking deck	1	50,000	50,000
Additional Concourse Parking deck repairs	1	100,000	100,000
TOTAL			$175,000

PARKING FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$2,619	$2,698	$2,779	$2,862	$2,948
Expenses	2,654	2,661	2,728	2,798	2,896
Excess (Deficit)	(35)	37	51	64	52
Beginning Balance	14,242	14,208	14,244	14,295	14,358
Ending Balance	$14,207	$14,245	$14,295	$14,359	$14,410

The 2017-2021 five year forecast for the Parking Fund incorporates current rates, the changes in lots and permits, the expenditures associated with the new facilities and operating cost increases of three to five percent annually. Consideration needs to be given to adjusting the permit and fine structure periodically if lots are to be redone and signage added.

Parking Division

PARKING FUND PERFORMANCE MEASURES

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
TOTAL PARKING SPACES	4,233	4,233	4,170	4,170
TOTAL SHORT-TERM PARKING LEASES	1,300	1,300	1,300	1,300
TOTAL LONG-TERM PARKING LEASES	2,375	2,375	2,375	2,375
HANDICAPPED PARKING SPACES	158	158	162	162
DOLLAR AMOUNT OF TICKETS ISSUED	388,650	515,000	500,000	500,000
NUMBER OF TICKETS ISSUED	13,092	19,000	19,000	19,000

Property Division

MISSION STATEMENT
It is the mission of the Property Services Division to maintain and operate select City buildings.

PRIMARY FUNCTIONS
Property Maintenance provides maintenance and repair services to City Hall, City Yards, and other municipal locations.

OBJECTIVES FOR FISCAL YEAR 2016
- Work with IT on a new property work order system, for better tracking of time, expense and materials, management of preventative maintenance programs, and deployment of staff.
- Continue replacing failing modines at the City Yards.
- Continue carpet replacement program at City Hall, floors three and four.
- Replace administration carpet at the City Yards.
- Replace entire HVAC system at City Hall.
- Work with IT department to replace the sound system in Council Chambers at City Hall.
- Remodel and repaint administration building at City Yards.
- Repairs to roof and exterior modernization of Building 8 at City Yards.
- Continue roof repairs on Central Garage.
- Create city-wide asset list.
- Expansion of indoor heated storage for Water, Street, Traffic and Property Divisions.
- Replace south wall at City Yards.
- Begin five year project planning for City Hall masonry repairs.
- Install backup generator for Central Garage.
- Update the lighting at City properties through Department of Commerce and Economic Opportunity funding.
- Install LED signage board for the Wellness Center.
- Paint interior of Building 8.
- Prepare for the addition of new buildings for the Police Department.

Property Division

PROPERTY FUND BUDGET SUMMARY

FUNDING SOURCE	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$787,377	$884,467	$836,056	$874,266	($10,201)
CONTRACTUAL	1,346,551	1,246,605	1,126,103	1,414,377	167,772
SUPPLIES	247,926	246,700	268,121	246,700	0
OTHER	319,940	285,150	262,882	327,550	42,400
TOTAL	2,701,794	2,662,922	2,493,162	2,862,893	199,971

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
BUILDING RENTAL CHARGES					
GENERAL FUND	$1,409,790	$1,266,741	$1,495,010	$1,745,300	$250,290
OTHER FUNDS	1,021,492	1,222,733	1,156,880	1,241,980	85,100
MISCELLANEOUS	31,268	110,943	0	0	0
TRANSFER FROM STREET DIV	19,159	19,159	19,159	19,159	0
TRANSFER FROM WATER FUND	5,404	5,404	5,404	5,404	0
GRAFFITI RECOVERY	8,573	233	0	0	0
INTEREST INCOME	(32,275)	57,077	20,000	20,000	0
PROPERTY FUND TOTAL	2,463,411	2,682,290	2,696,453	3,031,843	335,390

PROPERTY FUND AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
PROPERTY SUPERVISOR	108	1.00	1.00	0.00
MAINTENANCE REPAIR WORKER	A-24	9.00	9.00	0.00
TOTAL PERSONNEL		**10.00**	**10.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses decrease as a result of a retirement offset by wage increases due to general longevity and step increases and a budgeted 2% salary adjustment.
- Contractual expenses increase as additional maintenance is required on existing City facilities.
- Other expenses increase due to an increase in internal service charges.

Property Division

FIXED ASSETS

Planned fixed assets for 2016 includes:

FIXED ASSET INVESTMENT

EQUIPMENT	QUANTITY	BUDGET EACH	TOTAL BUDGET
Repair south wall of Building 14 at City Yards	1	120,000	120,000
Repair sawtooth roofs at City Yards	1	130,000	130,000
Replace modine heaters at City Yards	1	15,000	15,000
Replace sound system in Council Chambers at City Hall	1	70,000	70,000
Replace carpet on 3rd and 4th floors at City Hall	2	20,000	40,000
Replace break room cabinets on each floor at City Hall	1	25,000	25,000
Paint exterior windows at City Hall	1	10,000	10,000
Restoration of lobby ceiling at City Hall	1	30,000	30,000
TOTAL			$440,000

PROPERTY FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$3,123	$3,217	$3,314	$3,413	$3,515
Expenses	2,949	3,037	3,128	3,222	3,319
Excess (Deficit)	174	180	186	191	196
Beginning Balance	1,004	1,178	1,358	1,544	1,735
Ending Balance	$1,178	$1,358	$1,544	$1,735	$1,931

The 2017-2021 five-year forecast assumes operations will continue as they are programmed for 2016 and that costs will increase three percent annually. Budgets are developed so that funds are annually available for fixed assets such as building improvements and fueling systems.

Equipment Division

MISSION STATEMENT

It is the mission of the Equipment Services Division to service City vehicles.

PRIMARY FUNCTIONS

The Equipment Maintenance provides preventative maintenance and repair services for all City vehicles, except the Fire Department's emergency equipment.

OBJECTIVES FOR FISCAL YEAR 2016

- Continue to evaluate snow and ice fleet to ensure a continuous effective operation during critical snow and ice events.
- Continue to use cost effective procedures to maintain the fleet so that it will operate effectively.
- Research and implement the usage of eco-friendly oils and lubricants.
- Research and implement maintaining the Police Department fleet in the geo-policing operations.
- Continue to implement more online diagnostics and repair for all City vehicles.

EQUIPMENT FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	859,287	907,214	873,010	922,183	14,969
CONTRACTUAL	678,097	673,700	673,616	759,043	85,343
SUPPLIES	2,009,828	1,608,110	1,418,505	1,563,830	(44,280)
OTHER	103,113	99,750	99,093	100,250	500
TOTAL	3,650,325	3,288,774	3,064,224	3,345,306	56,532

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
VEHICLE REPAIR CHARGES					
GENERAL FUND	1,360,652	1,227,237	1,806,900	1,551,050	(255,850)
OTHER FUNDS	545,876	537,603	673,700	676,760	3,060
FUEL CHARGES					
GENERAL FUND	1,226,985	1,450,969	1,256,020	922,080	(333,940)
OTHER FUNDS	348,188	404,925	307,490	248,500	(58,990)
MISCELLANEOUS	21,514	16,281	0	15,000	15,000
INTEREST INCOME	(7,237)	(29,172)	0	5,000	5,000
EQUIPMENT FUND TOTAL	3,495,978	3,607,843	4,044,110	3,418,390	(625,720)

Equipment Division

EQUIPMENT FUND AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
EQUIPMENT SERVICES SUPERVISOR	108	1.00	1.00	0.00
AUTO SHOP SUPERVISOR	A-29	1.00	1.00	0.00
AUTO MECHANIC	A-28	7.00	7.00	0.00
TOTAL PERSONNEL		**9.00**	**9.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses increase due to a budgeted 2% salary adjustment, an increase in overtime and IMRF rates offset by a decrease in health insurance rates.
- Contractual expenses increase due to an increase in building rent expense and outside vehicle vendor services.
- Fuel costs decrease $94,000 due to predicted continual decline in market price.
- Vehicle parts increase $50,000 from the adjusted 2015 budget based on anticipated necessary repairs.

CAPITAL EQUIPMENT

There are no planned capital replacements under the City-wide leasing program for 2016.

EQUIPMENT FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$3,521	$3,627	$3,736	$3,848	$3,963
Expenses	3,446	3,549	3,655	3,765	3,878
Excess (Deficit)	75	78	81	83	85
Beginning Balance	393	468	546	627	710
Ending Balance	$468	$546	$627	$710	$795

The 2017-2021 five-year forecast assumes operations will continue as they are programmed for 2016 and that costs will increase three percent annually. Budgets are developed so that funds are annually available for fixed assets such as building improvements and fueling systems.

Central Supply Division

MISSION STATEMENT
It is the mission of the Central Supply Division to service City departments with necessary parts, tools, and equipment to accomplish their respective missions.

PRIMARY FUNCTIONS
Central Supply is responsible for providing centralized inventory to the operating divisions in Public Works, providing purchasing, budgeting, and accounting support at various levels as needed.

OBJECTIVES FOR FISCAL YEAR 2016
- Continue monitoring safety equipment for OSHA compliance.
- Continue to provide parts and services to the operating divisions in a timely manner.
- Continue updating and implementing changes in the finance area of Central Supply.
- Continue operating the small tool room in an effective manner.
- Update parts supply needed to support vehicles coming on-line through the leasing program.

CENTRAL SUPPLY FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	299,165	334,166	307,102	325,231	(8,935)
CONTRACTUAL	51,031	54,460	49,223	56,417	1,957
SUPPLIES	33,835	31,500	39,123	31,500	0
OTHER	23,900	24,800	24,800	25,000	200
TOTAL	$407,931	$444,926	$420,248	$438,148	($6,778)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
INVENTORY CONTROL CHARGES					
STREET DIVISION	100,800	100,800	106,800	105,060	(1,740)
TRAFFIC DIVISION	46,200	48,950	48,950	48,150	(800)
PARKING DIVISION	21,000	22,250	22,250	21,890	(360)
PROPERTY UNIT	42,000	44,500	44,500	43,770	(730)
EQUIPMENT UNIT	37,800	40,050	40,050	39,400	(650)
WATER DIVISION	172,200	182,450	182,450	179,880	(2,570)
INTEREST INCOME	(8,528)	19,072	0	0	0
TOTAL	$411,472	$458,072	$445,000	$438,150	($6,850)

Central Supply Division

CENTRAL SUPPLY FUND AUTHORIZED POSITIONS

POSITION TITLE	POSTION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
CENTRAL SUPPLY SUPERVISOR	108	1.00	1.00	0.00
SENIOR ACCOUNT CLERK	A-21	1.00	1.00	0.00
INVENTORY CONTROL CLERK	A-21	2.00	2.00	0.00
TOTAL PERSONNEL		**4.00**	**4.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses decrease as health insurance rates decrease offset by wages increase due to a budgeted 2% salary adjustment.
- Contractual expenses increase slightly due to increases in internal service charges.

CENTRAL SUPPLY FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$451	$465	$488	$512	$538
Expenses	451	465	479	493	508
Excess (Deficit)	0	0	9	19	30
Beginning Balance	306	306	306	315	334
Ending Balance	$306	$306	$315	$334	$364

The 2017-2021 five-year forecast assumes operations will continue as they are programmed for 2016 and that costs will increase three percent annually.

Water Division

MISSION STATEMENT
The Water Division will operate and maintain the Rockford public water system in a manner that:
- Protects public health and enhances the community *(Our Product)*
- Focuses on our customers *(Our Service)*
- Upholds the highest standards of public trust *(Our Reputation)*

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, ground-level and elevated storage, water treatment equipment, water quality, cross-connection 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, meter readings, installation/replacement of water meters, and responding to service calls.
- **Administration** - The Administrative Section is responsible for all division administration, fiscal control, system planning, service contract administration, and payroll.

OBJECTIVES FOR FISCAL YEAR 2016
- Complete annual update of the infrastructure replacement program and develop a long-term funding source.
- Revise water rate structure based on actual cost of service.
- Continue to reduce water loss through leak detection program.
- Improve the quality of water delivered to customers by reducing iron, manganese, and radium concentrations through the use of new water filtration facilities and reducing excursions in concentration of treatment chemicals.
- Continue to improve customer service by reducing number of complaints throughout Water Division operations and improving responsiveness when a complaint is received.
- Enhance community awareness of the importance of drinking water and the Rockford water system (public service announcements, secondary school demonstrations and presentations, etc.).
- Promote Rockford Environmental Laboratory and increase number of outside customers.
- Continue to promote worker safety and reduce number of on the job injuries by training employees and addressing all safety concerns in a timely manner.
- Continue to develop and implement Rockford Water Academy to train and cross-train employees with a goal averaging over 10 hours per employee of training per year.
- Continue to improve office environment at 1111 Cedar Street.
- Improve organizational efficiency through enhancing communication (SharePoint) across the organization and through implementation of accountability programs for managers and supervisors.
- Continue implementation of tablet and laptop program to make field operations more efficient.
- Initiate asset management in Distribution Section.

Water Division

WATER FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$5,458,026	$5,801,569	$5,432,970	$6,004,142	$202,573
CONTRACTUAL	7,155,758	6,493,485	5,179,169	7,090,175	596,690
SUPPLIES	1,016,040	1,325,600	1,050,122	1,444,450	118,850
OTHER	8,767,130	8,847,632	8,923,509	9,049,054	201,422
INTEREST	1,816,210	1,658,000	1,134,229	1,568,500	(89,500)
TOTAL	$24,213,164	$24,126,286	$21,719,999	$25,156,321	$1,030,035

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
WATER USER FEES	$22,675,691	$23,988,000	$24,508,000	$26,211,000	$1,703,000
INSTALLATIONS & CONNECTIONS	572,984	581,000	601,000	726,000	125,000
INTEREST INCOME	(654,410)	200,000	200,000	200,000	0
MISCELLANEOUS	646,263	65,000	75,000	95,000	20,000
PURCHASE OF SERVICES	93,010	73,740	95,600	107,250	11,650
TOTAL	$23,333,538	$24,907,740	$25,479,600	$27,339,250	$1,859,650

WATER FUND AUTHORIZED PERSONNEL

POSITION TITLE	**POSTION RANGE**	**2015 EMPLOYEES**	**2016 EMPLOYEES**	**INCREASE/ (DECREASE)**
WATER SUPERINTENDENT	213	1.00	1.00	0.00
WATER OPERATIONS MANAGER	110	1.00	1.00	0.00
ASSISTANT SUPERINTENDENT	110	1.00	1.00	0.00
WATER QUALITY SUPERVISOR	108	1.00	1.00	0.00
WATER OPERATIONS SUPERVISOR - DISTRIBUTION	108	3.00	3.00	0.00
WATER PLANT OP. & MAINT.SUPERVISOR	108	1.00	1.00	0.00
WATER SYSTEMS & SCADA SUPERVISOR	108	1.00	1.00	0.00
WATER SERVICES COORDINATOR	108	1.00	1.00	0.00
WATER TREATMENT SUPERVISOR	108	1.00	1.00	0.00
ACCOUNTANT	107	1.00	1.00	0.00
WATER PROGRAM COORDINATOR	106	1.00	1.00	0.00
WATER QUALITY TECHNICIAN	A-26	2.00	2.00	0.00
PUBLIC WORKS CREW LEADER	A-28	5.00	5.00	0.00
WATER PLANT OPERATOR	A-28	12.00	12.00	0.00
WATER SERVICE INSPECTOR	A-26	8.00	8.00	0.00
WATER UTILITY TECHNICIAN	A-25	2.00	2.00	0.00
EQUIPMENT OPERATOR	A-23	6.00	6.00	0.00
SENIOR ACCOUNT CLERK	A-21	1.00	0.00	(1.00)
MAINTENANCE WORKER	A-20	10.00	10.00	0.00
SENIOR CLERK	A-19	4.00	4.00	0.00
TOTAL PERSONNEL		**63.00**	**62.00**	**(1.00)**

Water Division

BUDGET HIGHLIGHTS

- Personnel expenses increase due to an increase in wages for general longevity and step increases, a budgeted 2% salary adjustment, and an increase in overtime.
- Contractual expenses increase due to increases in contracted repair costs.
- Supply expenses increase due to additional meter purchases and additional small equipment for the water production section.

WATER FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$28,322	$29,342	$30,398	$31,492	$32,626
Expenses	26,414	27,735	29,122	30,578	32,107
Excess (Deficit)	1,908	1,607	1,276	914	519
Beginning Balance	137,099	139,007	140,614	141,890	142,804
Ending Balance	$139,007	$140,614	$141,890	$142,804	$143,323
Bond Issues	$0	$0	$0	$0	$0
Rate Increases	3.6%	3.6%	3.6%	3.6%	3.6%

The 2017-2021 five-year forecast assumes annual 3.6% rate increases with consumption decreasing each year due to increased conservation efforts. Expenses for this forecast range from five to six percent. The City will finance future improvements on a pay as you go basis.

Water Division

FIXED ASSETS

Planned fixed assets for 2016 include:

FIXED ASSET INVESTMENTS

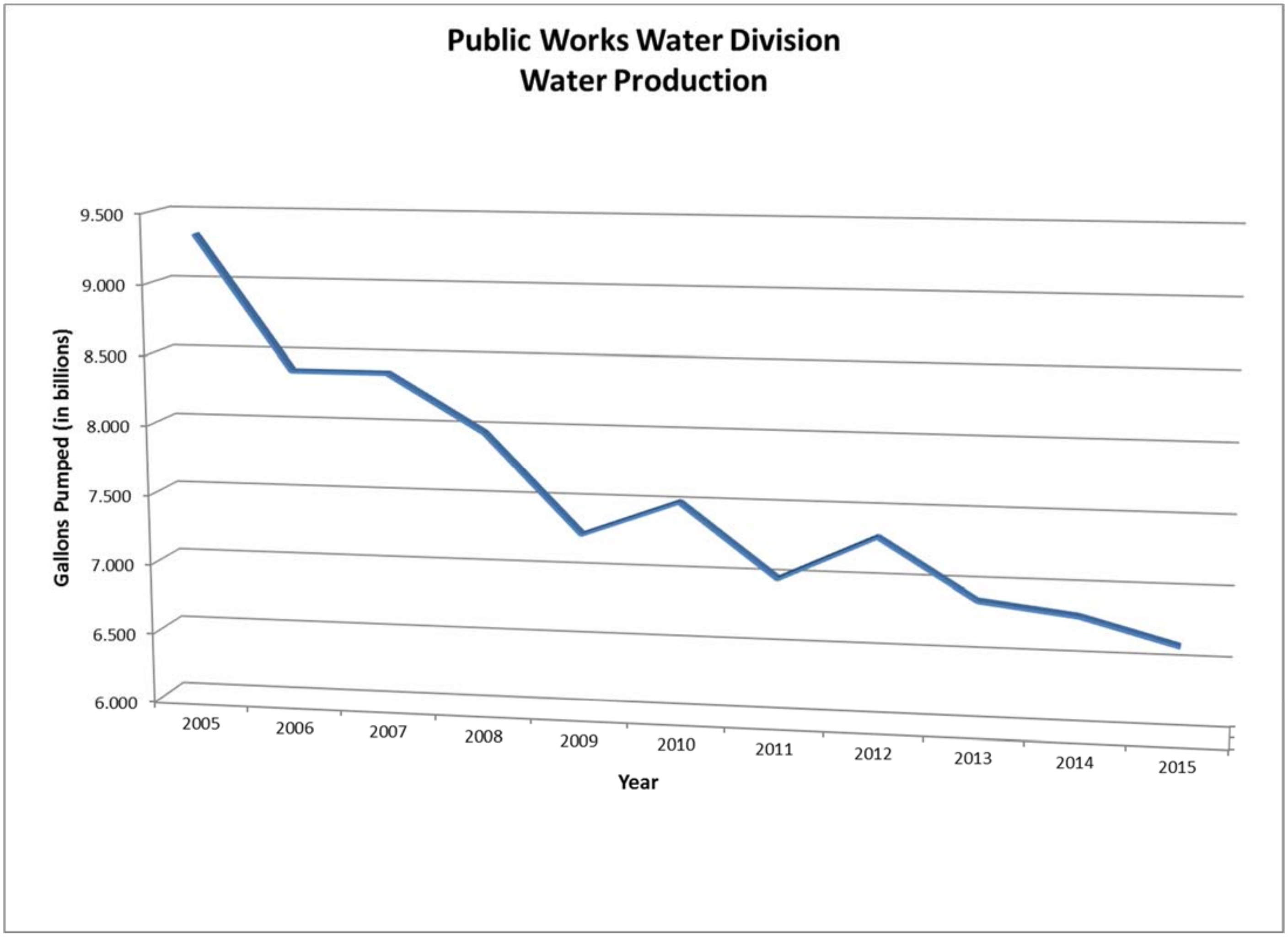
	QUANTITY	BUDGET EACH	TOTAL BUDGET
Install Variable Frequency Drives at secondary wells	3	33,333	100,000
UBS and Generator replacement	1	25,000	25,000
Large tapping machine with air operator	1	28,000	28,000
Replace air handler on south side of Cedar St.	1	15,000	15,000
Water Operating Center remodel construction phase 1	1	110,000	110,000
Install fiber optic cable to U40 and U42	1	50,000	50,000
TOTAL			$328,000

WATER FUND PERFORMANCE MEASURES

	2014 ACTUAL	2015 BUDGET	2015 ACTUAL	2016 BUDGET
EMERGENCY REPAIR TIME (HOURS)	1.70	2.00	1.80	2.00
% OF TOTAL REPAIRS THAT ARE PLANNED	79%	80%	76%	80%
EMERGENCY JULIE LOCATE RESPONSE TIME	0.50	1.00	0.50	0.50
BACKLOG OF NON-EMERGENCY REPAIRS (WKLY AVG)	55	65	26	30
WATER MAIN FLUSHED (MILES)	431	240	253	240
AVG DAYS TO CORRECT METER PROBLEM	34	30	28	30
WATER QUALITY COMPLAINTS	13	36	31	18
% OF TOTAL PRODUCTION FROM REHAB WELLS	90%	80%	86%	80%
NEW WATER CONNECTIONS	20	48	30	36

Water Division

OPERATIONAL INFORMATION



As the graph shows, water production has fluctuated significantly in the last ten years. Since 1999, when gallons pumped was at 9.076 billion, production has decreased 24.5%, to 6.67 billion gallons in 2015. The average production for the past seven years is 7.097 billion gallons, which is more than estimated 2016 production of 6.6 billion. Weather conditions, particularly annual rainfall, impact water usage in the City.

Police and Fire Pension Fund

MISSION STATEMENT

It is the mission of the Police and Fire Pension Funds to provide retirement benefits for retired police officers and firefighters and their beneficiaries through employer and employee contributions and investment earnings.

PRIMARY FUNCTIONS

The primary function of this non-operating budgetary unit is to finance pensions for employees by both employer and employee contributions combined with interest earnings on those contributions. These three revenue streams, if based on sound actuarial assumptions, should generate sufficient funds for employee retirement without placing either an undue burden on the employer or a risk to the pension due the employee.

POLICE PENSION FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$14,691,555	$14,631,319	$15,371,972	$15,772,729	$1,141,410
CONTRACTUAL	409,014	392,350	392,129	410,925	18,575
SUPPLIES	0	2,200	0	0	(2,200)
OTHER	126,600	112,500	116,900	106,503	(5,997)
TOTAL EXPENSE	15,227,169	15,138,369	15,881,001	16,290,157	1,151,788

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
POLICE DEPARTMENT TRANSFER					
POLICE PENSION PROPERTY TAX	$3,619,410	$4,608,968	$5,287,122	$6,881,319	$1,594,197
POLICE PENSION REPLACE TAX	790,300	1,096,852	926,566	1,004,250	77,684
TOTAL CITY CONTRIBUTION	4,409,710	5,705,820	6,213,688	7,885,569	1,671,881
INTEREST INCOME	10,742,457	6,613,696	5,900,000	5,350,000	(550,000)
FV APPRECIATION(DEPRECIATION)	11,708,810	5,290,879	5,000,000	5,000,000	0
INVESTMENT INCOME	22,451,267	11,904,575	10,900,000	10,350,000	(550,000)
EMPLOYEE CONTRIBUTIONS	2,028,926	2,131,555	2,008,400	2,029,200	20,800
TOTAL	$28,889,903	$19,741,950	$19,122,088	$20,264,769	$1,142,681
ACTUARY'S CONTRIBUTION REQUIREMENT	$4,770,072	$5,487,578	$6,213,688	$7,885,569	$1,671,881

Police and Fire Pension Fund

FIRE PENSION FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$15,700,060	$15,411,101	$16,135,612	$16,598,129	$1,187,028
CONTRACTUAL	404,981	302,400	357,270	390,575	88,175
OTHER	121,900	112,700	116,800	103,667	(9,033)
TOTAL EXPENSE	16,226,941	15,826,201	16,609,682	17,092,371	1,266,170

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
FIRE DEPARTMENT TRANSFER					
FIRE PENSION PROPERTY TAX	$4,077,998	$5,658,956	$6,190,579	$7,328,157	$0
FIRE PENSION REPLACE TAX	948,400	1,642,182	1,259,794	1,297,588	693,782
TOTAL CITY CONTRIBUTION	5,026,398	7,301,138	7,450,373	8,625,745	693,782
INTEREST INCOME	10,290,712	11,015,409	5,500,000	4,800,000	(700,000)
FV APPRECIATION(DEPRECIATION)	10,448,712	(1,891,892)	5,000,000	2,000,000	(1,000,000)
INVESTMENT INCOME	20,739,424	9,123,517	10,500,000	6,800,000	(1,700,000)
EMPLOYEE CONTRIBUTIONS	1,873,315	1,953,524	1,880,700	1,885,900	56,900
TOTAL	$27,639,137	$18,378,179	$19,831,073	$17,311,645	($949,318)
ACTUARY'S CONTRIBUTION REQUIREMENT	$5,776,061	$6,798,599	$7,450,373	$8,625,745	$693,782

BUDGET HIGHLIGHTS

- The City utilizes an independent actuary to determine the necessary funding for these two plans on an annual basis. Once this is determined, the City funds the plans based on the recommendations of the independent actuary. There were no changes with respect to plan provisions, actuarial methods, or actuarial assumptions from the prior year.
- For 2015, the Police plan earned $3.1 million in interest income while the Fire plan earned $3.2 million in interest income.
- The Police and Fire plans also realized $4.2 and $2.8 million respectively on the sale of investments.
- In addition, reflecting fair market value adjustments of investments, the Police Pension Fund estimated a gain of $32.6 million while the Fire Pension Fund estimated a gain of $11.7 million.
- Investment expenses were $296,000 for Police and $282,000 for Fire.
- Approximate annual rates of return were below the assumption rate of 7.5%, with 0.9% for Police and 0.2% for Fire.
- Police contribution requirement increases to $7,885,569. The increase in the contribution requirement is due to the increase in the annual payroll. The percent funded in 2014 was 63.9%.
- Fire contribution requirement increases to $8,625,745. The increase in the contribution requirement is due to the increase in the annual payroll. The percent funded in 2014 was 59.2%.

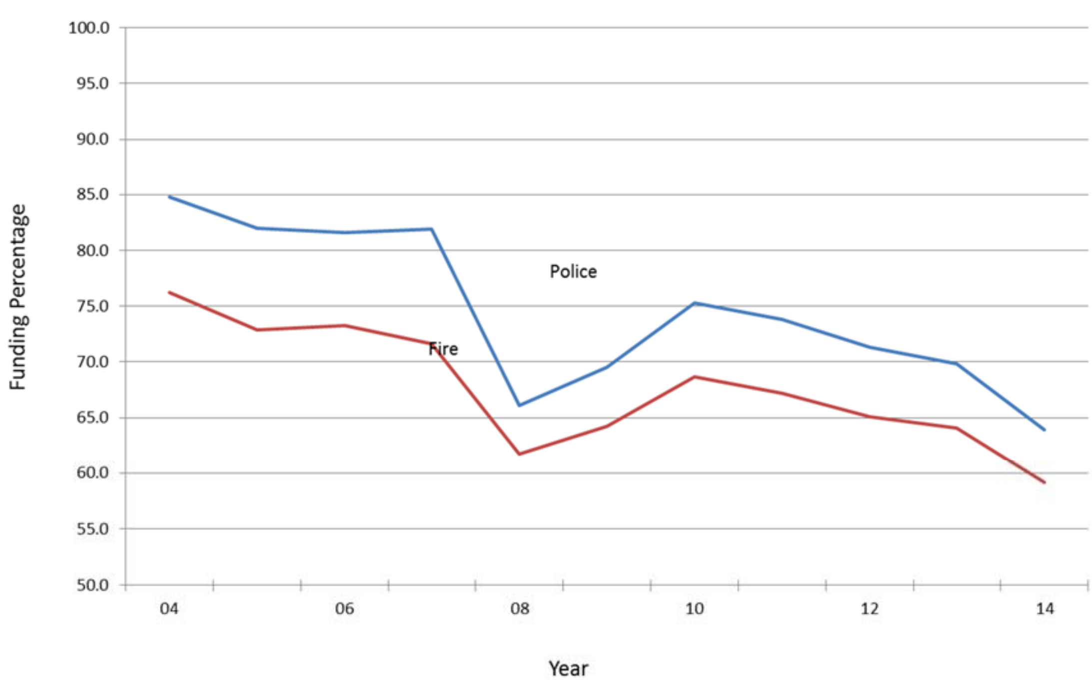
Police and Fire Pension Fund

OPERATIONAL INFORMATION

The State of Illinois enacted a reform package for Illinois police and fire pension plans in 2010. Benefit changes, for new hires beginning January 1, 2011, included the following: (1) normal retirement age of 55 (currently 50); (2) early retirement at age 50 with 6% reduction for each year prior to 55; (2) pensionable salary cap of $106,800 indexed to ½% of CPI-U; (3) final average salary calculated using the last 8 of 10 years (currently final day's salary); (4) survivor benefit of 66 2/3% of pension earned at date of death (currently 100% of pension); and (5) cost of living adjustments beginning the year after a retiree or survivor turns age 60 with annual increases equaling the lesser of 3% simple or ½ of CPI-U (currently 3% compounded each year after pension becomes payable).

In addition, the following changes were made to public safety pension funding: (1) 30 year closed amortization period with a funding target of 90% by the end of 2040 (previously expired in 2033 with a funding target of 100%); (2) state shared revenue diversions to pension funds beginning in 2016 equaling the difference between the employer contribution and the required actuarial contribution. Three year phase in with up to 1/3 of state shared revenue diverted in 2016, up to 2/3 in 2017, and up to the full contribution difference beginning in 2018; (3) expanded investment authority including corporate bonds for all funds and greater equity investments for funds with assets of at least $10 million; and (4) 5 year smoothing of actuarial gains and losses. The first actuarial study to be performed using these changes was completed in the spring of 2011 for the year ended 2010 for the 2012 budget levy and the 2013 budget expense.

CITY OF ROCKFORD, ILLINOIS
FUNDING PERCENTAGES OF POLICE AND FIRE PENSION FUNDS
2004-2014

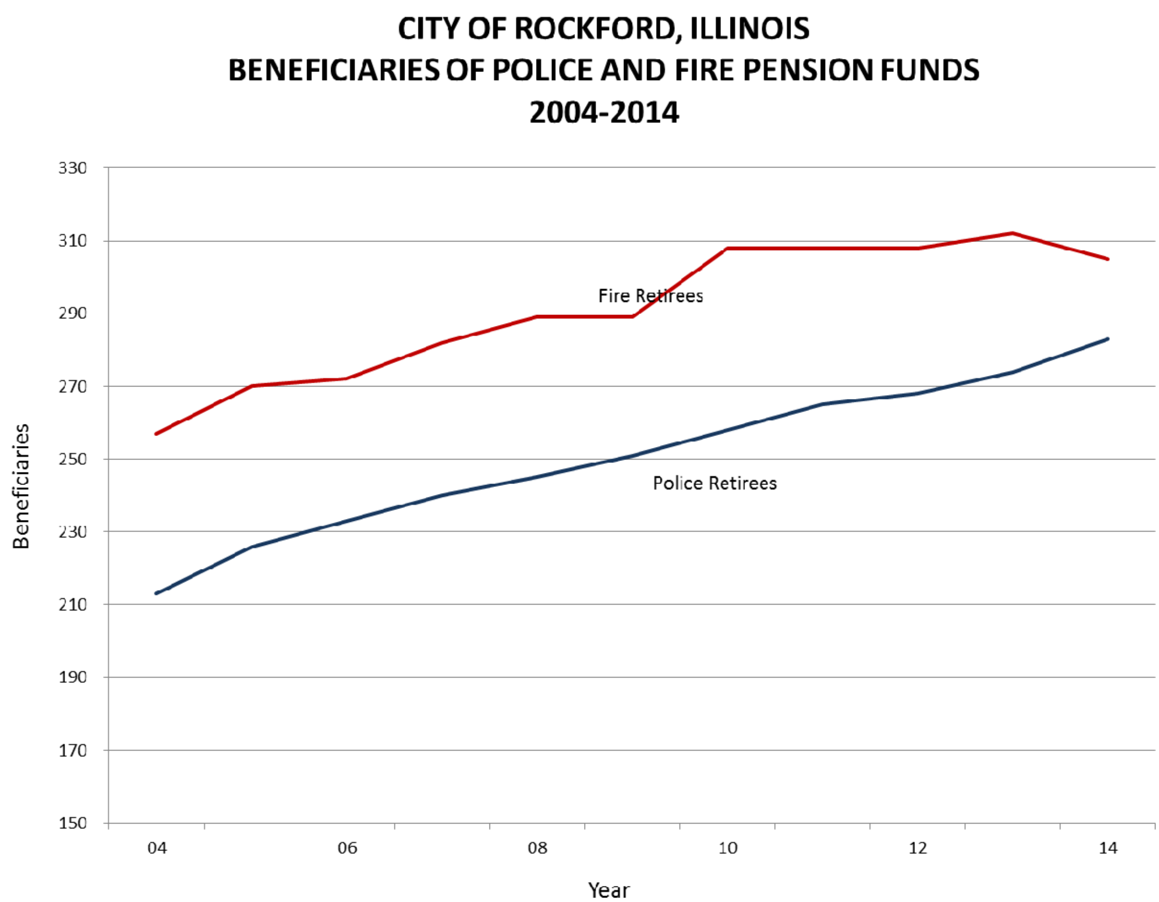


Police and Fire Pension Fund

ROCKFORD PENSION PLANS

	Police	Fire	IMRF/SS
Employees	Sworn	Sworn	All Other
2016 Employer Rate	77.03%	83.22%	18.86%
2016 Employee Rate	9.910%	9.455%	10.70%
Social Security Included	No	No	Yes (6.2%)
Plan Administration	Local	Local	State
Retirement Age	50/55	50/55	55/60
Vesting (Years)	10	10	8
Pension (20 Years Service)	50%	50%	35%
Pension Limit	75%	75%	75%
Years To Achieve Limit	30	30	40
Pension Based On	Last Pay/Average of 8 Highest Consecutive Years in Last 10	Last Pay/Average of 8 Highest Consecutive Years in Last 10	Average of 4 Highest Consecutive Years in Last 10

Trends for the two funds include active member percentage decreasing as the number of retirees increase as well as dollar costs rising.



Police and Fire Pension Fund

Approximately one-half of the annual revenues for these two plans are generated from investment earnings. While member contributions have increased to 9.91% for Police in 2000 and 9.455% for Fire in 2005, employee contributions are still the smallest element of the financing equation.

The City contributions are funded from property taxes and state replacement taxes. Pension property taxes are unlimited; however, property tax extension limitations (tax caps) do apply on a total city basis except for the new benefit provision for Fire Pension surviving spouses. For 2016, estimated rates are 37.9 cents for the Police plan and 44.4 cents for the Fire plan. 2015 rates are 32.1 and 38.8 cents respectively. The property tax rate increase is due to the plan cost increase.

Both plans utilize the Finance Department's staff. The Police pension fund will also utilize a consultant, $65,000, and a custodian, $4,900, as well as three money managers at an estimated cost of $231,000 (2014-$295,749). The Fire pension uses a consultant, $65,000, a custodian, $6,600, and four money managers at an estimated cost of $233,000 (2014-$341,418). Each fund pays the State Department of Insurance $8,000 annually for oversight services.

POLICE PENSION FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$26,259	$27,647	$29,133	$30,728	$32,424
Expenditures	16,315	16,909	17,521	18,152	18,802
Excess (Deficit)	9,944	10,738	11,611	12,576	13,622
Beginning Balance	204,151	214,095	224,832	236,443	249,019
Ending Balance	$214,095	$224,832	$236,443	$249,019	$262,641
Property Tax Rates (in cents)	44.0	48.7	53.9	59.5	61.8

FIRE PENSION FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$25,430	$26,704	$28,059	$29,507	$31,050
Expenditures	17,702	18,338	18,993	19,668	20,363
Excess (Deficit)	7,728	8,366	9,066	9,839	10,686
Beginning Balance	178,519	186,247	194,613	203,679	213,518
Ending Balance	$186,247	$194,613	$203,679	$213,518	$224,204
Property Tax Rates (in cents)	53.4	59.0	65.1	71.7	74.3

The 2017-2021 five-year forecast on a traditional basis, assumes five percent City and employee contribution increases as well as a 7.5% return on investments. The combined impact for the two plans of this increase on the property tax rate would be approximately eleven cents annually. Costs are assumed to rise annually due to three percent pension increases and an annual new retiree group of five. This forecast does not address a number of issues such as mortality, disability, and withdrawal that an actuary would. In addition, it makes no assumptions as to the likelihood of additional benefits gained through the legislative process in Springfield.

IMRF Pension Fund

MISSION STATEMENT

It is the mission of the Illinois Municipal Retirement Fund to provide retirement benefits for all retired non-sworn City employees and their beneficiaries.

PRIMARY FUNCTIONS/FUND HIGHLIGHTS

The primary function of the IMRF Fund is to account for all benefits for retired non-sworn City employees and their beneficiaries through employer and employee contributions.

Based on sound professional actuarial advice and adequate funding, former employees are able to draw retirement benefits from the plan.

IMRF PENSION FUND BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATED	BUDGET	(DECREASE)
PERSONNEL	$6,881,459	$6,954,501	$6,467,995	$7,098,732	$144,231
CONTRACTUAL	223	300	300	225	(75)
TOTAL	$6,881,682	$6,954,801	$6,468,295	$7,098,957	$144,156

RATES APPLIED	2012	2013	2014	2015	2016
IMRF	13.18	13.67	13.41	12.54	12.66
SOCIAL SEC	7.65	7.65	7.65	7.65	7.65
TOTAL	20.83	21.32	21.06	20.19	20.31

FUNDING SOURCE	2013	2014	2015	2016	INCREASE
PROPERTY TAXES	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
IMRF FUND	$3,024,950	$3,339,101	$3,357,266	$3,298,000	($59,266)
REPLACEMENT TAXES	282,300	328,700	328,200	325,000	($3,200)
INTERFUND TRANSFERS	4,098,374	3,520,920	3,391,179	3,475,957	84,778
INTEREST INCOME	(18,536)	32,098	10,000	10,000	0
TOTAL	$7,387,088	$7,220,819	$7,086,645	$7,108,957	$22,312

BUDGET HIGHLIGHTS

- The Social Security rate, last increased in 1990 to 7.65%, remains unchanged for 2016. The taxable wage base for the 1.45% Medicare portion continues to be unlimited; the ceiling for Social Security (6.2%) remains unchanged from 2015's $110,100.
- The 2016 IMRF rate increases slightly to 12.66% due to the performance of equity markets. The City's IMRF plan is 77.64% funded (2015 market value).
- The property tax rate for IMRF and Social Security retirement is unlimited by statute. The 2016 rate is 0.2386.

IMRF Pension Fund

IMRF PENSION FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$7,607	$8,139	$8,709	$9,319	$9,971
Expenses	7,596	8,128	8,697	9,306	9,957
Excess (Deficit)	11	11	12	13	14
Beginning Balance	65	76	87	99	112
Ending Balance	$76	$87	$99	$112	$126
Property Tax Rates (in cents)	26.5	30.3	32.6	35.0	37.5

The 2017-2021 five-year forecast assumes that retirement costs will increase 5% annually due to salary adjustments, that the Social Security and IMRF rates will remain constant, that the Social Security base will continue to increase incrementally and that the revenue mix of property and transfer reimbursements will remain constant.

Health Insurance Fund

MISSION STATEMENT

It is the mission of the Health Insurance Fund is to provide health insurance benefits for City employees, City retirees, and outside participants through a self-insured plan financed by employer and partial premiums for employees in addition to those by retirees and outside participants.

PRIMARY FUNCTIONS/FUND HIGHLIGHTS

The primary function of the health insurance fund is to account for all health insurance costs including medical and dental expenses, administrative expenses and excess coverage policies.

With health insurance costs continuing to escalate as a percentage of the City's cost of doing business, the City refined its traditional PPO plan and introduced a new health savings account (HSA) offering in 2007. A multi-year schedule designed to increase employee deductibles and co-pays was approved. For 2009, the City secured new agreements for the dental, life insurance, health savings account, and flex care programs. In 2011, a change in network and third party administrators saved additional funds. In 2014, the opening of a wellness center with clinic services for employees and their families is expected to have a positive impact on expense in 2015 and going forward. With these changes, the City continues to offer its employees excellent health insurance at a reasonable cost.

The City will work to maintain a 25% reserve for this fund.

HEALTH INSURANCE FUND BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATE	BUDGET	(DECREASE)
CONTRACTUAL	$18,982,979	$21,760,300	$20,635,032	$21,807,800	$47,500
SUPPLIES	119	500	5,176	500	0
OTHER EXPENSE	161,500	161,500	161,500	169,600	8,100
TOTAL	$19,144,598	$21,922,300	$20,801,708	$21,977,900	$55,600

	2014	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
EMPLOYER PREMIUMS	$18,172,740	$14,338,873	$17,035,112	$16,300,273	($734,839)
EMPLOYEE PREMIUMS	1,362,246	466,425	1,371,734	1,267,110	(104,624)
RETIREES	1,896,262	1,511,929	2,465,461	2,366,999	(98,462)
OTHER	563,857	681,399	(79,000)	(57,000)	22,000
INTEREST INCOME	(399,185)	656,781	94,600	119,900	25,300
TOTAL	$21,595,920	$17,655,407	$20,887,907	$19,997,282	($890,625)

BUDGET HIGHLIGHTS

- In 2015, health premiums were increased 16% from deficit rates in 2014. For 2016, premiums decrease 3.5% to generate a $500,000 savings in the general fund.
- Medical expenses are not expected to change significantly.

Health Insurance Fund

HEALTH INSURANCE FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$23,228	$24,269	$25,365	$26,518	$27,732
Expenses	23,900	24,774	25,684	26,631	27,615
Excess (Deficit)	(672)	(505)	(319)	(113)	117
Beginning Balance	7,994	7,177	6,505	5,999	5,680
Ending Balance	$7,322	$6,672	$6,186	$5,886	$5,797
Rate Increase	5.0	5.0	5.0	5.0	5.0
Reserve Percentage	33.4	29.0	25.3	22.5	20.6

The 2017-2021 five year plan assumes that medical costs will increase 3% annually and that the revenue mix of employer, employee, and third party contributions will continue to evolve in order to continue a financially viable plan. Revenue increases are anticipated to be 5% to 38% per year for 2017-2021.

Unemployment Fund

MISSION STATEMENT

It is the mission of the Unemployment Tax Fund to provide services for unemployment costs to former employees.

PRIMARY FUNCTIONS/FUND HIGHLIGHTS

The primary function of the Unemployment Tax Fund is to account for all unemployment expenditures.

The City operates a self-insured unemployment tax program with financing provided by premiums charged to departments based on a percentage of the first $9,000 salary. The City will continue to strive to provide this program to former employees while maintaining responsible costs for the taxpayers through its self-insured program.

UNEMPLOYMENT COMPENSATION TAX FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$48,960	$169,060	$53,878	$166,725	($2,335)
TOTAL	$48,960	$169,060	$53,878	$166,725	($2,335)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
GENERAL FUND TRANSFERS	$175,356	$173,933	$134,478	$134,478	$0
OTHER FUND TRANSFERS	0	0	33,282	32,022	(1,260)
INTEREST INCOME	(6,477)	21,588	2,500	9,700	7,200
TOTAL	$168,879	$195,521	$170,260	$176,200	$5,940

BUDGET HIGHLIGHTS

- The property tax rate for unemployment, collected in the general fund, is unlimited by statute. The 2016 rate is 0.0104.

UNEMPLOYMENT COMPENSATION FUND FIVE YEAR FINANCIAL FORECAST (IN $000'S)

	2017	2018	2019	2020	2021
Revenues	$216	$222	$227	$233	$239
Expenses	65	66	68	70	71
Excess (Deficit)	151	156	159	163	168
Beginning Balance	445	596	752	911	1,074
Ending Balance	$596	$752	$911	$1,074	$1,242

The 2017-2021 five-year forecast assumes that unemployment costs will increase 3% annually and that premiums will be adjusted as necessary during this period. The unemployment rate charged to operating departments has remained stable at 2.0% ($180) of the first $9,000 of salary per employee for 2016. For the 2017 – 2021 planning period, the rate will be 2.0% ($180).

Worker's Compensation Fund

MISSION STATEMENT
It is the mission of the Worker's Compensation Fund to provide for all administrative, reinsurance and benefit expenses associated with employees' worker's compensation claims.

PRIMARY FUNCTIONS
The primary function is to account for all workers' compensation expenditures. The City operates a self-insured worker's compensation program with financing provided by premiums charged to departments based on job type and likelihood of injury.

WORKER'S COMPENSATION FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$3,017,884	$2,750,260	$2,749,112	$2,650,250	($100,010)
OTHER EXPENSE	85,900	94,490	94,490	96,900	2,410
TOTAL	$3,103,784	$2,844,750	$2,843,602	$2,747,150	($97,600)

FUNDING SOURCE	2012 ACTUAL	2013 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
GENERAL FUND TRANSFERS	$2,739,052	$2,739,052	$2,465,201	$2,423,942	($41,259)
OTHER FUND TRANSFERS	316,858	316,858	264,960	303,140	38,180
REIMBURSEMENTS	1,382	1,382	0	0	0
INTEREST INCOME	(113,988)	(113,988)	15,000	15,000	0
TOTAL	$2,943,304	$2,943,304	$2,745,161	$2,742,082	($3,079)

BUDGET HIGHLIGHTS
- Rates remained the same as 2015 due to positive fund performance and an acceptable fund balance.
- With a fund deficit of $3.0 million at the end of 2010, a $1.6 million surcharge was assessed to all participating funds in 2010. An additional surcharge was assessed at the end of 2011, $656,000, to bring the fund to a positive balance at the start of 2012.
- The property tax rate for worker's compensation, collected in the general fund, is unlimited by statute. The 2015 rate is estimated at 17.52 cents, 0.54 cents higher than the previous 16.98 cents.

Worker's Compensation Fund

WORKER'S COMPENSATION FUND FIVE YEAR FINANCIAL FORECAST (IN $000'S)

	2017	2018	2019	2020	2021
Revenues	$3,277	$3,440	$3,612	$3,791	$3,980
Expenses	3,180	3,339	3,506	3,681	3,866
Excess (Deficit)	97	101	106	110	114
Beginning Balance	880,924	881,021	881,122	881,228	881,338
Ending Balance	$881,021	$881,122	$881,228	$881,338	$881,452
Expense Rate Change	5%	5%	5%	5%	5%

The 2017-2021 five-year forecast assumes that worker's compensation costs will increase five percent annually and that premiums will be increased 5% annually to keep pace with expense growth.

Auditing Fund

MISSION STATEMENT

It is the mission of the Auditing Fund to provide and pay for auditing services in the most efficient and economical manner in order to produce the most accurate financial records.

PRIMARY FUNCTIONS

The primary function of the Auditing Fund is to pay for all auditing services associated with the City's financial records.

AUDITING FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	$197,420	$215,100	$215,100	$191,730	($23,370)
TOTAL	$197,420	$215,100	$215,100	$191,730	($23,370)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
AUDITING	$144,770	$180,990	$155,800	$128,060	($27,740)
INTERFUND TRANSFERS	62,400	59,010	59,299	63,670	4,371
TOTAL	$207,170	$240,000	$215,099	$191,730	($23,369)

BUDGET HIGHLIGHTS

- The Fund reimburses the Finance Department for staff costs associated with auditing. 2016 costs include $87,800 for auditors, $100,903 for internal staff costs, and $3,000 for printing the annual report in the newspaper.
- The property tax rate for auditing is unlimited by statute. The 2016 proposed rate is 1.28 cents.

The 2017-2021 five year forecast assumes that audit costs will increase three percent annually and that the revenue mix of property taxes and transfer reimbursements will remain constant.

AUDITING FUND 2017-2021 FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$197	$203	$209	$215	$221
Expenses	203	209	215	222	228
Excess (Deficit)	(6)	(6)	(6)	(7)	(7)
Beginning Balance	0	(6)	(12)	(18)	(25)
Ending Balance	($6)	($12)	($18)	($25)	($33)
Property Tax Rates	0.9	0.9	0.9	0.9	0.9

Debt Management

MISSION STATEMENT

It is the mission of the Debt Management Fund to account for bonded indebtedness incurred by the City, including all bond and interest payments.

PRIMARY FUNCTION

The primary function of the Debt Management Fund is to retire debt incurred by the City for long-term capital projects and short-term cash flow financing, by making annual payments of interest and principal based upon a planned schedule.

FUND HIGHLIGHTS

Since 1982 when the first Capital Improvements Program was adopted, the City went to the market annually to seek financing for its infrastructure improvements. In addition to retiring debt through property taxes, sales taxes, and water revenues, the City also utilizes tax increment financing (TIF) and special service area (SSA) districts property taxes to retire bonds.

In 2006, the City submitted a referendum question to the voters to determine whether or not they would, rather than financing streets and drainage improvements through voter approved bond issue referendums and the resulting property tax financed debt service, rather pay for infrastructure improvements through a one percent sales tax. While the voters defeated that proposal, they approved the same proposal, but with a five year limitation, in the spring 2007 election. Effective July 1, 2007, the tax generates $15 million annually. The tax was extended by referendum for an additional five year period on April 5, 2011 and for additional five years on March 15, 2016. Property tax financed debt service will end in 2017.

For the future, the City will only issue bonds for development purposes that are financed by TIF district property tax increment or other non-property tax alternate revenue sources.

The City’s current bond (long-term debt) rating is A1 from Moody’s Investors Service.

Debt Management

CITY OF ROCKFORD, ILLINOIS
OUTSTANDING AND PROPOSED DEBT ISSUES

ISSUE AND AMOUNT	PAYMENT SOURCE	FINAL LEVY YEAR
2004 $15.9 GOB (Series A-$8.5 Street, Series B-$2.2 Water,		
Series C-$2.0 7th St Taxable TIF Project, and Series D-$3.2 Equipment)	1, 2, 3, 6	2016
2004 $14.570 GOB Alternate and Refunding, (Alternate, Series E-$4.65,		
N Main TIF $1.65, Airport TIF $3.0, Refundings, Series F-$4.375 Street/		
Drainage, Series G-$2.475 Water, Series H-$3.070 S Rockford TIF)	1, 2, 3	2023
2005 $10.9 GOB (Series A-$8.7 Street, Series B-$2.2 Water)	1, 2	2017
2005 $10.6 GOB (Alternate, Series C-$7.550, Airport TIF $0.915,		
Lincolnwood II TIF $0.560, Springfield Corners TIF $1.795, River Oaks		
$2.450, Garrison TIF $1.500, Lincolnwood I Refunding, $0.530,		2023
Series D-$2.850 Taxable Alternate Southwest Rockford Econ Dev	3,6	2017
2006 $17.5 GOB (Series A-$15.0 Water, Series B-$2.5 Hope 6 TIF)	2,3	2025
2007 $29.865 GOB Alternate and Refunding ($23.0 Metro Centre		
Improvements (Series A-$6.635 Tax Exempt, Series B-$16.365	5,8	2026
Taxable), Series C-$6.865 GOBA Refunding)	5	2026
2007 $8.75 GOB Alternate (Series D-$3.5 Water, Series E-$1.1	2	2026
Preston Central TIF, Series F-$1.1Sewer, Series G-$3.05 Library)	2,3,6,7	2026
2008 $12.15 GOB Alternate (Series A-$9.0 Water, Series B-$1.3	2,3,4	2028
TIF ($1.1 Airport, $0.2 Jackson School), Series C-$1.85 Taxable Parking		2018
2009 $2.6 GOB Alternate (Series A-$1.65 TIF ($0.35 River North, $1.3		2028
Main Whitman), Series B-$0.95 Taxable Global Trade #1)	3	2029, 2024
2009 $8.065 Series C - GOB Alternate Refunding Taxable (Metro Center)	5,8	2026
2009 $1.7 GOB Alternate (Series D-$1.35 Springfield Corners TIF,		
Series E-$0.35 River East TIF)	3	2023
2009 $13.585 Refunding (Series E-$7.93 GOB Street, Series F-$4.325		2014, 2018,
Water, Series G-$1.33 7th Street TIF District)	1,2,3	2015
2010 $3.4 GOB Alternate Water	2	2029
2012 $1.47 Refunding (Series B-$0.64 GOB Water, $0.83 GOB Water)	2	2016
2012 $7.73 Refunding ($2.7 GO, Series C-$0.88 7th Street TIF, Series C-$0.93		2016, 2021
Springfield Corners TIF, Series A-$3.22 GO)	2, 3, 6	
2014 $5.3 Fire Station #3		2023
2014 $14.025 Refunding (Series A-$4.65 Capital, $6.305 Neighborhood Revi		2016,2027
$3.070 GO, Series B-$8.5 Street Improvements, $8.7 Capital Improvments,		
SeriesC-$2.0 7th Street, $2.85 Lowes Distribution, $16.7 Metro Center Improvements)		
2015 $16.52 GOB Ingersoll Project		2034

1	Property Taxes
2	Water Fund Revenues
3	Tax Increment Financing District Revenues
4	Parking Fund Revenues
5	Redevelopment Fund Revenues
6	Sales Taxes
7	Off Track Betting Revenues
8	Private, Other

Debt Management

DEBT MANAGEMENT FUND BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
BOND INTEREST	$2,298,467	$3,976,308	$3,976,308	$3,763,322	($212,986)
BOND PRINCIPAL	7,670,000	12,055,033	12,055,033	11,757,702	(297,331)
TOTAL	$9,968,467	$16,031,341	$16,031,341	$15,521,024	($510,317)

Actuals exclude water system debt

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
PROPERTY TAXES					
DEBT SERVICE-CITYWIDE	$4,849,256	$4,176,793	$3,055,549	$3,616,765	$561,216
	4,849,256	4,176,793	3,055,549	3,616,765	561,216
ABATEMENTS-TAX EXEMPT					
PUBLIC WORKS WATER	5,776,777	5,837,826	5,826,107	5,563,868	(262,239)
SALES TAX	579,573	404,036	432,500	416,500	(16,000)
TIF DISTRICTS	2,467,629	2,259,366	2,407,650	2,966,072	558,422
REDEVELOPMENT FUND	1,080,193	1,089,368	534,675	839,675	305,000
OTHER	809,269	804,144	823,988	817,800	(6,188)
	10,713,441	10,394,740	10,024,920	10,603,915	578,995
ABATEMENTS-TAXABLE					
TIF DISTRICTS	698,635	692,888	681,825	350,852	(330,973)
SALES TAX	321,094	333,593	382,594	330,750	(51,844)
REDEVELOPMENT FUND	441,868	1,814,721	1,704,578	441,868	(1,262,710)
PARKING	164,188	160,623	181,875	176,874	(5,001)
	1,625,785	3,001,825	2,950,872	1,300,344	(1,650,528)
TOTAL	$17,188,481	$17,573,358	$16,031,341	$15,521,024	($510,317)

BUDGET HIGHLIGHTS

- 2015 sales included a $16.52 million bond issue to fund the construction of a multi-use indoor sports facility at the former Ingersoll facility. Redevelopment Fund revenues, offset by a contribution from the Rockford Park District and Reclaiming First, will be utilized for debt service payments. In addition, $6.335 million in bonds were issued in November 2015 to finance repairs to the Concourse Parking Deck.
- For the $75 million water program, the City has issued $30.9 million in the traditional marketplace. In addition, the City is participating in a State (IEPA) loan program for eligible mitigation activities that is anticipated to produce $15 million in savings over traditional financing. To date, the State has approved $23.1 million in twenty year 2.5% loans, $8.5 million in twenty year 1.25% loans, and $7.5 million in twenty year 0.0% loans, a total of $39.1 million. In addition, the City has received $5.4 million in ARRA stimulus grants. The State total is $44.5 million. The total borrowing is $70.0 million. With the grant funds, the total program is $75.4 million.

Debt Management

DEBT SERVICE FUND FIVE YEAR FINANCIAL FORECAST (IN 000'S)

	2017	2018	2019	2020	2021
Revenues	$14,053	$11,407	$11,025	$10,419	$10,249
Expenditures	14,053	11,407	11,025	10,419	10,249
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	$0	$0	$0	$0	$0
Tax Rate (Cents)	27.8	22.4	19.4	17.9	16.6

As part of the annual development of the five year capital improvements program, the City also prepares a bond issue schedule. While currently no plans exist for the 2017-2021 period, the City may recognize a need in the future during this period and sell bonds. Actual size and issuance depends upon the development of the annual capital improvements program. As existing street debt is retired, the debt service tax rate should continue to decrease.

Off-Track Betting Special Projects Fund

MISSION STATEMENT
It is the mission of the Off-Track Betting (OTB) Fund to finance projects from off-track betting receipts, as determined by the Mayor and Council.

PRIMARY FUNCTIONS
The primary function of the OTB Fund is to account for OTB revenues and to allocate those revenues for special projects.

FUND HIGHLIGHTS
The State Legislature approved a horse racing bill in December 1986 that included a provision for race tracks to operate off-track betting parlors in Illinois. A facility was opened in Rockford on November 18, 1987. The City and the County each receives one percent of the handle.

OTB PROJECTS BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
TRANSFER TO REDEVELOP	$90,000	$100,000	$100,000	$90,000	($10,000)
TOTAL	$90,000	$100,000	$100,000	$90,000	($10,000)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
OTB RECEIPTS	$95,000	$90,000	$100,000	$90,000	($10,000)
INTEREST INCOME	700	0	1,100	2,300	1,200
TOTAL	$95,700	$90,000	$101,100	$92,300	($8,800)

BUDGET HIGHLIGHTS
- Income budgeted at $92,300 was decreased to historical actual.
- There is $50,000 payment for Rockford Area Arts Council and $40,000 budget for administration of Rockford Community Partners organization.

OTB SPECIAL PROJECTS FUND FIVE YEAR FORECAST
The 2017-2021 five year forecast assumes no revenue growth and expenditure of revenue for economic development.

	2017	2018	2019	2020	2021
Revenues	$102	$102	$102	$103	$103
Expenditures	90	90	75	75	75
Excess (Deficit)	12	12	27	28	27
Beginning Balance	93	105	117	144	172
Ending Balance	$105	$117	$144	$172	$199

Risk Management Fund

MISSION STATEMENT

It is the mission of the Risk Management Fund to provide for costs associated with insurance, legal claims, risk management, and judgments.

PRIMARY FUNCTIONS/FUND HIGHLIGHTS

The primary function of the Risk Management Fund is to account for insurance expenses, losses to City owned property, liability claims, and risk management activities.

Implemented in 1996 to comply with Governmental Accounting Standards Board guidelines, the Risk Management Internal Service Fund pays for all insurance, claim settlements, and accidental property losses for the City. Not unlike a premium from an insurance company, departments are assessed a service charge that is based on a cost recovery basis. The annual service charge covers all risk management services received for that year including claim and loss management, insurance premiums, accidental loss of equipment, and the defense and settlement of claims.

The Risk Management Fund transfers risk exposure to outside companies through purchased insurance. This coverage includes liability, surety, fidelity, and property protection. Those City activities not covered through purchased insurance are covered by the City's self-insurance program in which funds are set aside to cover losses and claims. Governmental accounting standards require the City to record anticipated liabilities from operations. The frequency and amounts of the liabilities can vary significantly from year to year.

RISK MANAGEMENT FUND BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATE	BUDGET	(DECREASE)
CONTRACTUAL	$6,300,832	$2,769,800	$3,524,132	$3,752,630	$982,830
OTHER	470,500	413,100	413,150	416,700	3,600
TOTAL	$6,771,332	$3,182,900	$3,937,282	$4,169,330	$986,430

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
PROPERTY TAXES					
JUDGMENTS	1,746,930	2,486,039	1,609,930	2,945,640	1,335,710
SERVICE CHARGES	0	0	1,088,070	1,172,460	84,390
PROP DAMAGE REIMBURSEMENTS	181,233	119,163	115,000	115,000	0
MISCELLANEOUS	1,841	207,199	0	0	0
INTEREST INCOME	(24,138)	(125,505)	0	0	0
TOTAL	1,905,866	2,686,896	2,813,000	4,233,100	1,420,100

BUDGET HIGHLIGHTS

- Increases in expenses occur primarily in claims processing services, policy premium increases, and an increase in the claims expenses.
- General fund purchase of services increases $3,600 due to wage increases.

Risk Management Fund

RISK MANAGEMENT FUND FIVE YEAR FINANCIAL FORECAST (In 000's)

	2017	2018	2019	2020	2021
Revenues	$4,557	$4,563	$4,570	$4,577	$4,584
Expenses	4,034	4,107	4,184	4,265	4,350
Excess (Deficit)	523	456	386	312	234
Beginning Balance	(7,060)	(6,537)	(6,081)	(5,695)	(5,383)
Ending Balance	($6,537)	($6,081)	($5,695)	($5,383)	($5,149)
Property Tax Rates	15.3	15.3	15.0	14.7	14.4

The five-year forecast assumes that primarily small claims will be paid out of this fund with the exception of one or two legal settlements annually. In addition, it is assumed that large claims in excess of liability insurance limits, which cannot be supported by the fund balance, will be paid through the issuance of judgment bonds or through structured settlements, because larger claims are not reasonably foreseeable.

Workforce Investment Board

MISSION STATEMENT

The mission of the Workforce Investment Board is to create a competitive, skilled and educated workforce by providing a system for the citizens of Boone and Winnebago Counties to gain meaningful employment responsive to the needs of business.

PRIMARY FUNCTIONS/FUND HIGHLIGHTS

The primary function of the Workforce Investment Board is to plan and oversee the local workforce development system, negotiate local performance measures with the State, coordinate with economic development agencies and develop employer linkages, and promote the participation of the private sector in the workforce investment system.

The City is the designated grant recipient for the federal Workforce Investment Act (WIA) funds for Boone and Winnebago counties and all expenses are covered by the grant. The WIA requires the establishment of a local Workforce Investment Board. This board and the City entered into an intergovernmental agreement in June 2004 that identifies the City as the employer of record and the mechanism for hiring Workforce Investment Board staff.

WORKFORCE INVESTMENT BOARD BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$510,406	$533,674	$539,405	$538,805	$5,131
CONTRACTUAL	1,080	1,130	1,130	1,290	160
TOTAL	$511,486	$534,804	$540,535	$540,095	$5,291

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
FEDERAL	$535,374	$511,486	$534,804	$540,095	$5,291
	$535,374	$511,486	$534,804	$540,095	$5,291

WORKFORCE INVESTMENT BOARD AUTHORIZED POSITIONS

POSITION TITLE	POSITION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
WIB EXECUTIVE DIRECTOR	E-11	1.00	1.00	0.00
WIB BUSINESS ACCOUNT MANAGER	E-8	1.00	1.00	0.00
WIB BUSINESS ACCOUNT MANAGER	E-9	1.00	1.00	0.00
WIB PLAN & QUALITY ASSURANCE MANAGER	E-7	1.00	1.00	0.00
WIB PR/GRANTS MANAGER	E-10	1.00	1.00	0.00
WIB ASSISTANT	102	1.00	1.00	0.00
TOTAL PERSONNEL		**6.00**	**6.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses increase due to a 2% wage increase budgeted for all department staff offset by a decrease in health insurance rates.

Rockford Metropolitan Agency for Planning

MISSION STATEMENT

RMAP primary mission is to perform and carry out a continuing, cooperative, comprehensive transportation planning process for the Rockford Urbanized Area in accordance with applicable Federal laws, policies and procedures, and with the cooperation and assistance of its members and the U.S. Department of Transportation.

RMAP BUDGET SUMMARY

APPROPRIATION	2014 ACTUAL	2015 BUDGET	2015 ESTIMATED	2016 BUDGET	INCREASE (DECREASE)
PERSONNEL	$703,257	$687,510	689,297	$694,963	$7,453
CONTRACTUAL	396,424	522,573	444,468	254,823	(267,750)
SUPPLIES	13,476	15,500	13,989	15,500	0
OTHER	15,700	12,500	12,500	12,600	100
CAPITAL	0	22,600	0	18,100	(4,500)
TOTAL	$1,128,857	$1,260,683	$1,160,254	$995,986	($264,697)

FUNDING SOURCE	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	INCREASE (DECREASE)
CURRENT FUNDS					
FEDERAL	$557,868	$785,116	$674,068	$674,068	$0
STATE	337,174	301,830	187,211	187,211	0
LOCAL MATCH	70,103	138,301	72,302	72,302	0
CITY PORTION	76,292	76,292	76,292	76,292	0
TOTAL	1,041,437	1,301,539	1,009,873	1,009,873	0

RMAP AUTHORIZED POSITIONS

POSITION TITLE	POSITION RANGE	2015 EMPLOYEES	2016 EMPLOYEES	INCREASE/ (DECREASE)
DIRECTOR	E-11	1.00	1.00	0.00
TRANSP PLANNER II	E-8	1.00	1.00	0.00
TRANSP PLANNER I	E-8	1.00	1.00	0.00
TRANSP ECONOMIST	E-8	1.00	1.00	0.00
TRANSP PLANNER/ENGINEER	E-8	2.00	2.00	0.00
SENIOR ADMIN ASSISTANT	105	1.00	1.00	0.00
TOTAL PERSONNEL		**7.00**	**7.00**	**0.00**

BUDGET HIGHLIGHTS

- Personnel expenses increase due to an increase in salaries and a budgeted 2% salary adjustment.
- Other contractual expenses decrease $250,000 from the adjusted 2015 budget.

Capital Replacement Fund

MISSION STATEMENT

It is the mission of the Capital Replacement Fund to provide for the replacement of vehicles and the repair and replacement of facilities.

PRIMARY FUNCTIONS

The primary function is to account for all capital expenditures. The primary expense of the fund is capital lease payments for vehicles, funded by proceeds from the sale of vehicles beyond their useful life, by revenue generated by video gaming establishments, and by transfers from operating departments in the general fund.

CAPITAL REPLACEMENT FUND BUDGET SUMMARY

	2014	2015	2015	2016	INCREASE
APPROPRIATION	ACTUAL	BUDGET	ESTIMATE	BUDGET	(DECREASE)
OTHER EXPENSE	$2,776,243	$3,590,308	$3,643,300	$4,204,179	$613,871
TOTAL	$2,776,243	$3,590,308	$3,643,300	$4,204,179	$613,871

	2013	2014	2015	2016	INCREASE
FUNDING SOURCE	ACTUAL	ACTUAL	BUDGET	BUDGET	(DECREASE)
GENERAL FUND TRANSFERS	$1,336,236	$1,657,884	$2,530,308	$2,681,491	$151,183
OTHER FUND TRANSFERS	197,782	303,669	120,000	120,000	0
VIDEO GAMING	454,974	1,213,184	940,000	1,150,000	210,000
TOTAL	$1,988,992	$3,174,737	$3,590,308	$3,951,491	$361,183

BUDGET HIGHLIGHTS

- The fund is created to account for the payment of capital leases, offsetting general fund revenues by designated capital revenue, proceeds from the sale of vehicles and video gaming revenue.
- The fund will make lease payments for all general fund budget units for leases committed thus far.

Capital Replacement Fund

LEASE AGREEMENT SUMMARY

2012

Vehicles	*Leasing Company*	*Lease Term*	*Lease Rate*	*Annual Payment*
4 GMC Yukons	PNC Equipment Finance	5 years	2.54%	45,184.21
1 stock engine, 1 stock aerial, 2 custom aerials and related equipment	Oshkosh Capital	8 years	2.65%	345,413.02
28 Chevy Caprices, 18 Chevy Impalas plus related equipment	JP Morgan Chase	4 years	1.27%	446,696.06
10 snow & ice, 3 water dumps, 2 chippers, 2 patchers, 2 clam loaders, 2 buckets, 1 sewer truck, 1 backhoe	JP Morgan Chase	10 years	1.85%	370,809.59
42 cars, trucks, SUVs	US Bancorp	5 years	1.27%	245,880.78
Total				1,453,983.66

2013

Vehicles	*Leasing Company*	*Lease Term*	*Lease Rate*	*Annual Payment*
4 ambulances and related equipment	US Bancorp	5 years	1.125%	218,491.23
4 engines and related equipment	JPMorgan Chase	7 years	1.520%	353,012.58
10 snow dumps, 2 water dumps, patcher truck, endloader, forklift, backhoe, breaker, 2 message boards, 2 fire day cab tractors with	Fifth Third Equipment Finance	10 years	2.460%	296,675.50
Marked and unmarked squad cars	JPMorgan Chase	4 years	1.280%	378,044.53
Cars, trucks, SUVs	Fifth Third Equipment	5 years	1.260%	283,405.54
Total				1,529,629.38

2014

Vehicles	*Leasing Company*	*Lease Term*	*Lease Rate*	*Annual Payment*
2 ambulances	PNC	4 years	1.42%	142,064.54
2 engines and related equipment	US Bancorp	7 years	2.01%	179,298.76
1 bomb trailer, 1 SWAT vehicle, 1 Patcher, 4 snow plows, 1 chipper, 1 backhoe, 2 slope mowers, 2 water dumps	US Bancorp	10 years	2.29%	190,449.14
16 Chevy Caprices, 14 Chevy Impalas plus related equipment	PNC	4 years	1.45%	264,502.15
21 cars, trucks, SUVs	JPMorgan Chase	5 years	2.00%	228,155.99
Total				1,004,470.58

2015

Vehicles	*Leasing Company*	*Lease Term*	*Lease Rate*	*Annual Payment*
1 ambulance	JPMorgan Chase	4 years	2.10%	78,498.11
1 aerial	JPMorgan Chase	8 years	2.10%	136,268.86
Total				214,766.97

Totals do not match due to the inclusion of vehicles for non-general fund units. Those lease payments will be made by the respective funds directly.

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
SUMMARY-ALL FUNDS

	GENERAL GOVERNMENT				PROPRIETARY		FIDUCIARY		TOTALS	
		SPECIAL	DEBT	CAPITAL		INTERNAL	TRUST			
REVENUES	GENERAL	REVENUE	SERVICE	PROJECT	ENTERPRISE	SERVICE	PENSION	ELIMINATIONS	2016	2015
PROPERTY TAX										
CITY WIDE	$39,243,847	$7,477,324	$14,220,680			$6,371,700		$2,875,633	$64,437,918	$63,299,692
TAXABLE BONDS			1,300,344						1,300,344	2,950,872
SPECIAL DISTRICTS		4,562,876	0						4,562,876	4,123,232
LESS, PROVISION FOR ABATEMENT			11,904,259						11,904,259	12,975,792
LESS, PROVISION FOR UNCOLLECTIBLE TAXES	392,438	119,129	36,533			63,718		28,756	583,062	571,796
NET TAX LEVY	38,851,409	11,921,071	3,580,232			6,307,982		2,846,877	57,813,817	56,826,208
TAX LEVY REIMBURSEMENTS	6,153,426	650	0			0		3,501,989	2,652,087	2,554,220
PROPERTY TAXES PRIOR TO ADJUSTMENTS	45,004,835	11,921,721	3,580,232			6,307,982		6,348,866	60,465,904	59,380,428
LESS, PROVISION FOR ACCOUNTING INTERPRETATION		0							0	(200)
LESS, TAX CAP EFFECTS		0	0			0			0	0
TOTAL PROPERTY TAXES	45,004,835	11,921,721	3,580,232			6,307,982		6,348,866	60,465,904	59,380,628
OTHER TAXES	31,934,387	5,671,000	0	$15,950,000		0		0	53,555,387	52,318,789
TOTAL TAXES	76,939,222	17,592,721	3,580,232	15,950,000		6,307,982		6,348,866	114,021,291	111,699,417
LICENSES, PERMITS & INSPECTION FEES	4,632,625	90,000							4,722,625	4,525,534
INTERGOVERNMENTAL	25,457,151	21,551,489	1,910,000	$5,000,000		1,171,247		325,000	54,764,887	80,105,135
CHARGES FOR SERVICES	5,629,955	12,281,761			$26,937,000	11,541,244		11,827,284	44,562,676	41,860,247
FINES, FORFEITURES & PENALTIES	1,104,837	110,500			518,442				1,733,779	1,794,040
REVENUE FROM USE OF MONEY & PROPERTY	200,000	331,610		200,000	1,938,117	179,600	$10,150,000	295,523	12,703,804	13,762,960
FAIR VALUE ADJUSTMENT							7,000,000		7,000,000	10,000,000
OTHER REVENUE & INCOME			120,000			3,577,109			3,697,109	3,878,195
RESTRICTED RECEIPTS							3,915,100		3,915,100	6,138,100
MISCELLANEOUS	12,351,247	75,000	120,000	0	95,000	130,000	0	11,308,567	1,462,680	1,644,716
TOTAL REVENUES	126,315,037	52,033,081	5,730,232	21,150,000	29,488,559	22,907,182	21,065,100	30,105,240	248,583,951	275,408,344
OTHER ADDITIONS										
TRANSFERS	1,500,000	882,557	8,478,416	8,720,000	393,850	26,525,944	16,511,314	61,263,877	1,748,204	2,053,257
PROCEEDS FROM SALE OF BONDS									0	0
APPLICATION OF RESTRICTED FUND BALANCE									0	0
FOR ENCUMBRANCES AND NONRECURRING ITEMS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER ADDITIONS	1,500,000	882,557	8,478,416	8,720,000	393,850	26,525,944	16,511,314	61,263,877	1,748,204	2,053,257
ELIMINATIONS	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES & OTHER ADDITIONS	127,815,037	52,915,638	14,208,648	29,870,000	29,882,409	49,433,126	37,576,414	91,369,117	250,332,155	277,461,601
APPROPRIATION	127,787,411	55,462,663	23,929,382	29,870,000	27,918,688	50,898,490	33,382,528	87,134,634	262,114,528	281,343,216
NON-APPROPRIATION EXPENSES										
PROVISION FOR ACCOUNTING INTERPRETATION									0	0
TRANSFER TO WATER UTILITY				(4,800,000)					(4,800,000)	(4,800,000)
TRANSFER TO PARKING UTILITY									0	0
COMMUNITY DEVELOPMENT									0	0
LEGAL REQUIREMENT FOR DEBT SERVICE	0	0	(5,563,868)	0	0	0	0	(5,563,868)	0	0
PROJECTED EXPENDITURES & TRANSFERS	127,787,411	55,462,663	18,365,514	25,070,000	27,918,688	50,898,490	33,382,528	$81,570,766	257,314,528	276,543,216
ADJUSTMENT FOR ENTERPRISE FUND PROJECTS				(4,800,000)					(4,800,000)	(4,800,000)
PROJECTED EXCESS TO AMORTIZE PRIOR YR EXPENSE									0	0
PROJECTED EXCESS (DEFICIT) OF REVENUES									0	0
OVER EXPENDITURES AND ADJUSTMENTS	27,626	(2,547,025)	(4,156,866)	0	1,963,721	(1,465,364)	4,193,886		(1,984,022)	5,333,531
BEGINNING BALANCE, JANUARY 1	32,168,324	19,677,466	11,290,341	10,331,021	149,286,122	3,299,624	337,005,567		563,058,465	561,129,317
ADJUSTMENT FOR NON-RECURRING TRANSFERS	0								0	0
ADJUSTMENT OF BALANCE TO REVENUE FOR ENCUMBRANCES	0								0	0
ENDING BALANCE, DECEMBER 31	$32,195,950	$17,130,441	$7,133,475	$10,331,021	$151,249,843	$1,834,260	$341,199,453		$561,074,443	$566,462,848

CITY OF ROCKFORD, ILLINOIS
BUDGET PROGRAM SUMMARY BY EXPENDITURE CLASSIFICATION
2016 BUDGET

AGENCIES	2015 BUDGET	INCREASE (DECREASE)	2016 BUDGET	SALARY EXPENSE	FRINGE BENEFITS	CONTRACTUAL EXPENSE	SUPPLY EXPENSE	OTHER EXPENSE	INTEREST EXPENSE	CAPITAL EXPENSE	DEBT REQUIREMENT
LEGISLATIVE & MANAGEMENT											
MAYOR	$675,663	$5,327	$680,990	380,420	$134,544	$149,570	$10,000	$6,456			
COUNCIL	567,341	(2,582)	564,759	168,000	182,599	211,260	2,900				
LEGAL	1,660,747	(42,681)	1,618,066	861,098	410,166	326,302	20,500				
FINANCE	8,171,895	(754,165)	7,417,730	1,933,377	869,483	1,099,729	31,350	$3,483,791			
INFORMATION TECH	3,129,166	470,649	3,599,815	417,117	162,119	2,382,179	73,000	565,400			
ELECTION COMMISSION	737,433	421,306	1,158,739	335,239	87,394	354,706	51,400			$330,000	
HUMAN RESOURCES	686,764	(44,248)	642,516	371,743	138,929	128,744	3,100				
COMMUNITY DEVELOPMENT											
ADMINISTRATION	232,564	5,268	237,832	138,823	58,869	34,576	1,420	4,144			
DEVELOPMENT	4,609,375	(1,083,305)	3,526,070	360,781	181,716	136,693	4,030	2,842,850			
REDEVELOPMENT	3,676,936	1,291,158	4,968,094			21,680		4,946,414			
TOURISM PROMOTION	1,639,700	60,300	1,700,000			1,220,000		480,000			
TAX INCREMENT DISTRICTS	7,445,844	(1,711,394)	5,734,450	0	0	40,000	0	5,488,620	205,830	0	0
SANITATION	11,793,360	2,108,195	13,901,555			8,592,850		5,308,705			
PLANNING	624,644	23,396	648,040	379,335	157,156	105,660	2,030	3,859			
CONST SERVICES	3,033,720	(28,530)	3,005,190	1,479,772	711,805	761,792	7,650	44,171			
HUMAN SERVICES											
HUMAN SERVICES	13,495,202	(1,821,011)	11,674,191	4,340,966	2,138,559	1,903,075	694,108	2,597,483			
TUBERCULOSIS SANITARIUM	178,500	(50,900)	127,600			127,600					
LIBRARY	8,566,191	178,809	8,745,000	3,476,834	1,364,217	1,710,271	1,412,996	105,525	244,000	431,157	
MASS TRANSIT	1,524,000	0	1,524,000			1,524,000					
PUBLIC SAFETY											
POLICE	50,032,604	239,044	50,271,648	26,709,544	13,090,506	9,078,955	548,316	844,327			
FIRE	43,929,205	251,385	44,180,590	23,715,652	13,637,763	4,618,696	616,555	1,591,924			
911 COMMUNICATIONS	5,645,966	44,278	5,690,244	3,891,109	1,559,875	224,010	15,250				
FIRE/POLICE COMMISSION	225,965	(91,130)	134,835	17,000	3,860	111,675	2,300				
PUBLIC WORKS											
ADMINISTRATION	376,618	1,071	377,689	227,354	80,937	56,478	9,100	3,820			
ENGINEERING	1,088,477	(34,454)	1,054,023	544,326	226,930	243,735	30,750	8,282			
CAPITAL PROJECT	54,304,000	(24,434,000)	29,870,000	1,282,635	570,752	789,331	16,700	741,570		26,469,012	
MOTOR FUEL TAX	6,316,300	(2,320,000)	3,996,300					3,996,300			
STREETS & SEWERS	9,430,600	355,392	9,785,992	1,760,038	826,655	5,377,518	1,194,000	627,781			
TRAFFIC	4,254,367	(122,709)	4,131,658	708,194	299,944	2,656,694	357,000	109,826			
PARKING	2,460,369	301,998	2,762,367	162,233	86,426	1,246,301	35,500	1,231,907			
PROPERTY	2,634,842	228,051	2,862,893	567,750	306,516	1,414,377	246,700	326,600	950		
EQUIPMENT	3,990,004	(644,698)	3,345,306	612,918	309,265	759,043	1,563,830	99,300	950		
CENTRAL SUPPLY	444,926	(6,778)	438,148	235,985	89,246	56,417	31,500	25,000			
WATER	24,726,436	446,613	25,173,049	4,121,567	1,882,575	7,106,903	1,444,450	8,785,504	1,832,050		
NON-OPERATING FUNDS											
POLICE PENSION	15,138,369	1,151,788	16,290,157		15,772,729	410,925		106,503			
FIRE PENSION	15,826,201	1,266,170	17,092,371		16,598,129	390,575		103,667			
IMRF PENSION	6,954,801	144,156	7,098,957		7,098,732	225					
WORKMEN'S COMPENSATION	2,844,750	(97,600)	2,747,150			2,650,250		96,900			
UNEMPLOYMENT INSURANCE	169,060	(2,335)	166,725			166,725					
HEALTH INSURANCE	21,922,300	55,600	21,977,900			21,807,800	500	169,600			
AUDITING	215,100	(23,370)	191,730			191,730					
DEBT SERVICE	16,031,341	(510,317)	15,521,024						3,763,322		$11,757,702
OTB PROJECTS	100,000	(10,000)	90,000					90,000			
RISK MANAGEMENT	2,772,900	1,720,280	4,493,180			4,076,480		416,700			
RMAP	970,233	25,753	995,986	501,694	193,269	254,823	15,500	12,600		18,100	
WIB OPS	534,804	5,291	540,095	365,181	173,624	1,290					
CAPITAL REPLACEMENT	3,590,308	613,871	4,204,179						321,964	3,882,215	
ADJUSTMENTS	0	0	0	0	0						
ELIMINATIONS	(94,542,145)	1,097,483	(93,444,662)	(5,138,153)	(22,590,927)	(28,493,091)	(1,934,078)	(29,724,547)	(1,476,164)	0	(4,087,702)
TOTAL	$274,837,746	($21,323,575)	$253,514,171	$74,928,532	$56,814,362	$56,028,552	$6,508,357	$15,540,982	$4,892,902	$31,130,484	$7,670,000
BUDGET PERCENTAGE	100		100.0	29.6	22.4	22.1	2.6	6.1	1.9	12.3	3.0

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
PERSONNEL AUTHORIZATION
ALL FUNDS

PROGRAMS AND AGENCIES	2013	2014	2015	2014-2015 INCREASE (DECREASE)	2016	2015-2016 INCREASE (DECREASE)
LEGISLATIVE & MANAGEMENT						
MAYOR	4.00	4.00	4.00	0.00	4.00	0.00
LEGAL	12.00	12.00	13.00	1.00	13.00	0.00
FINANCE	36.00	36.00	36.00	0.00	36.00	0.00
INFORMATION SERVICES	4.00	4.00	4.00	0.00	5.00	1.00
HUMAN RESOURCES	5.00	5.00	5.00	0.00	5.00	0.00
LEGISLATIVE & MGMT TOTAL	61.00	61.00	62.00	1.00	63.00	1.00
COMMUNITY DEVELOPMENT						
CD ADMINISTRATION	1.50	1.50	1.50	0.00	1.50	0.00
CD CODE ENFORCEMENT	0.00	0.00	0.00	0.00	0.00	0.00
CD PLANNING	4.30	4.30	4.30	0.00	4.50	0.20
CD CONSTRUCTION SERVICES	25.20	25.20	24.20	(1.00)	25.00	0.80
CD DEVELOPMENT	7.00	7.00	6.00	(1.00)	6.00	0.00
COMM DEVELOPMENT TOTAL	38.00	38.00	36.00	(2.00)	37.00	1.00
HUMAN SERVICES						
HUMAN SERVICES	96.35	95.50	86.40	(9.10)	90.83	4.43
LIBRARY	86.25	87.00	87.00	0.00	87.00	0.00
HUMAN SERVICES TOTAL	182.60	182.50	173.40	(9.10)	177.83	4.43
PUBLIC SAFETY						
POLICE	319.00	322.50	323.00	0.50	323.00	0.00
FIRE	280.00	259.00	259.00	0.00	258.00	(1.00)
911 COMMUNICATIONS	53.00	53.00	53.00	0.00	53.00	0.00
PUBLIC SAFETY TOTAL	652.00	634.50	635.00	0.50	634.00	(1.00)
PUBLIC WORKS						
ADMINISTRATION	2.00	2.00	2.00	0.00	2.00	0.00
ENGINEERING	9.50	8.00	9.10	1.10	9.10	0.00
STREETS & SEWERS	31.00	31.00	31.00	0.00	31.00	0.00
TRAFFIC	11.00	11.00	11.00	0.00	11.00	0.00
CAPITAL PROJECT	16.50	18.00	18.90	0.90	18.90	0.00
PARKING SYSTEM	8.50	3.00	3.00	0.00	3.00	0.00
BUILDING MAINTENANCE	10.00	10.00	10.00	0.00	10.00	0.00
EQUIPMENT MAINTENANCE	9.00	9.00	9.00	0.00	9.00	0.00
CENTRAL STORES	4.00	4.00	4.00	0.00	4.00	0.00
WATER	64.00	64.00	63.00	(1.00)	62.00	(1.00)
PUBLIC WORKS TOTAL	165.50	160.00	161.00	1.00	160.00	(1.00)
TOTAL	1,099.10	1,076.00	1,067.40	(8.60)	1,071.83	4.43
ANNUAL PERSONNEL CHANGE		(23.10)	(8.60)		4.43	
ANNUAL PERCENTAGE CHANGE		(2.10)	(0.80)		0.40	

CITY OF ROCKFORD, ILLINOIS
2017-2021 GENERAL FUND FORECAST

REVENUE SUMMARY

	2015 ESTIMATE	2016 BUDGET	2017 PROJECTION	2018 PROJECTION	2019 PROJECTION	2020 PROJECTION	2021 PROJECTION
PROPERTY TAXES	44,596,055	45,004,835	46,129,956	47,673,205	48,865,035	50,086,661	51,338,828
OTHER TAXES	31,833,548	31,934,387	32,211,900	32,445,252	32,684,474	32,929,585	33,180,614
LICENSE AND PERMITS	4,577,883	4,632,625	4,755,058	4,872,478	4,993,445	5,118,067	5,246,465
INTERGOVERNMENTAL	28,524,381	25,457,151	26,066,333	26,813,442	27,582,884	28,375,335	29,154,683
CHARGES FOR SERVICE	5,655,347	5,629,955	5,896,750	6,122,614	6,357,458	6,601,640	6,855,532
FINES	1,029,228	1,104,837	1,077,255	1,107,958	1,139,569	1,172,114	1,205,619
MISCELLANEOUS	4,202,831	2,715,050	3,769,000	3,693,230	3,718,166	3,743,828	3,770,237
REIMBURSEMENT FOR SERVICES	9,565,674	11,336,197	10,090,328	10,393,037	10,704,829	11,025,976	11,356,755
LEASE PROCEEDS	944,131	0	0	0	0	0	0
TOTAL	130,929,078	127,815,037	129,996,580	133,121,216	136,045,860	139,053,206	142,108,733

EXPENSE SUMMARY

	2015 ESTIMATE	2016 BUDGET	2017 PROJECTION	2018 PROJECTION	2019 PROJECTION	2020 PROJECTION	2021 PROJECTION
PERSONNEL	88,727,557	91,186,263	96,480,237	100,134,535	103,949,383	107,934,024	112,098,311
CONTRACTUAL	25,516,990	26,841,380	26,356,502	26,505,705	26,972,581	27,657,648	28,361,437
SUPPLIES	3,967,625	2,888,371	2,955,500	3,024,206	3,092,340	3,164,258	3,237,865
OTHER	5,136,098	6,728,381	7,406,164	6,584,358	6,258,395	5,876,440	5,563,378
CAPITAL	2,898,130	25,000	25,000	25,000	25,000	25,000	25,000
TOTAL	126,246,400	127,669,395	133,223,403	136,273,804	140,297,699	144,657,370	149,285,991
SURPLUS (DEFICIT)	4,682,678	145,642	(3,226,823)	(3,152,588)	(4,251,839)	(5,604,164)	(7,177,258)
	4%	0%	-2%	-2%	-3%	-4%	-5%

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
SPECIAL REVENUE FUNDS

REVENUES	MOTOR FUEL TAX	SANITATION	COMMUNITY DEVELOPMENT	REDEVELOPMENT TAX	TOURISM PROMOTION	TAX INCREMENT FINANCING DISTRICTS	HUMAN SERVICES	TUBERCULOSIS SANITARIUM	LIBRARY	RMAP	OTB SPECIAL PROJECTS	ELIMINATIONS	TOTAL
PROPERTY TAXES													
CITY WIDE		$21,000						$126,324	$7,330,000				$7,477,324
SPECIAL DISTRICTS						$4,562,876							4,562,876
LESS, UNCOLLECTIBLE TAXES		200				45,629		0	73,300				119,129
NET TAX LEVY		20,800				4,517,247		126,324	7,256,700				11,921,071
TAX LEVY REIMBURSEMENTS		650				0		0	0				650
PROPERTY TAXES PRIOR ADJUST		21,450				4,517,247		126,324	7,256,700				11,921,721
LESS, PROVISION FOR ACCTG INT								0	0				0
LESS, TAX CAP EFFECTS		0				0		0	0				0
TOTAL PROPERTY TAXES		21,450				4,517,247		126,324	7,256,700				11,921,721
OTHER TAXES		0		$3,971,000	$1,700,000	0		0	0				5,671,000
TOTAL TAXES		21,450		3,971,000	1,700,000	4,517,247		126,324	7,256,700				17,592,721
LICENSES, PERMITS & FEES											$90,000		90,000
INTERGOVERNMENTAL	$4,503,500		$3,471,324				$11,698,084		945,000	$933,581			21,551,489
SERVICE CHARGES		12,236,200							45,561				12,281,761
FINES									110,500				110,500
REVENUE, RENTS & INTEREST	10,000	109,300	60,000	52,000		36,210		1,800	60,000		2,300		331,610
OTHER REVENUE & INCOME												$0	0
MISCELLANEOUS	0	0	0	0	0	0	0	0	75,000	0	0	0	75,000
TOTAL REVENUES	4,513,500	12,366,950	3,531,324	4,023,000	1,700,000	4,553,457	11,698,084	128,124	8,492,761	933,581	92,300	0	52,033,081
OTHER ADDITIONS													
TRANSFERS				425,000		381,265				76,292			882,557
PROCEEDS FROM SALE OF BONDS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	4,513,500	12,366,950	3,531,324	4,448,000	1,700,000	4,934,722	11,698,084	128,124	8,492,761	1,009,873	92,300	0	52,915,638
APPROPRIATION	3,996,300	13,901,555	3,526,070	4,968,094	1,700,000	5,737,367	11,674,191	127,600	8,745,500	995,986	90,000	0	55,462,663
NON EXPENSE APPROPRIATION													0
EXPENDITURES AND TRANSFERS	3,996,300	13,901,555	3,526,070	4,968,094	1,700,000	5,737,367	11,674,191	127,600	8,745,500	995,986	90,000	0	55,462,663
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	517,200	(1,534,605)	5,254	(520,094)	0	(802,645)	23,893	524	(252,739)	13,887	2,300		(2,547,025)
BEGINNING BALANCE, JANUARY 1	9,040,614	4,849,350	833,034	1,288,496	306,910	(5,889,931)	865,987	111,807	8,377,947	(243,748)	137,000		19,677,466
ENDING BALANCE, DECEMBER 31	$9,557,814	$3,314,745	$838,288	$768,402	$306,910	($6,692,576)	$889,880	$112,331	$8,125,208	($229,861)	$139,300		$17,130,441

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
SPECIAL REVENUE FUNDS - TAX INCREMENT FINANCE DISTRICTS
(PAGE 1 OF 2)

REVENUES	EAST SIDE	EAST RIVER	WEST SIDE #1	WEST SIDE #2	RIVER NORTH	SOUTH ROCKFORD
PROPERTY TAXES						
SPECIAL DISTRICTS	$325,893	$188,516	$496,168	$630	$264,367	$108,037
LESS, UNCOLLECTIBLE TAXES	3,259	1,885	4,962	6	2,644	1,080
NET TAX LEVY	322,634	186,631	491,206	624	261,723	106,957
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	0	0	8,148	193	2,191	0
OTHER REVENUE	0	0	0	0	0	0
TOTAL REVENUES	322,634	186,631	499,354	817	263,914	106,957
OTHER ADDITIONS						
TRANSFERS	105,000	276,265	0	0	0	0
PROCEEDS FROM SALE OF BONDS	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	427,634	462,896	499,354	817	263,914	106,957
APPROPRIATION	195,000	376,704	916,187	0	243,549	400,167
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	195,000	376,704	916,187	0	243,549	400,167
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	232,634	86,192	(416,833)	817	20,365	(293,210)
BEGINNING BALANCE, JANUARY 1	(142,916)	(275,302)	432,791	12,884	146,090	543,812
ENDING BALANCE, DECEMBER 31	$89,718	($189,110)	$15,958	$13,701	$166,455	$250,602

REVENUES	ASSISTED LIVING	STATE KILBURN	STATE CENTRAL	SPRINGFIELD CORNERS	NORTH MAIN	MAIN AUBURN
PROPERTY TAXES						
SPECIAL DISTRICTS	$0	$9,600	$89,796	$218,478	$45,642	$18,851
LESS, UNCOLLECTIBLE TAXES	0	96	898	2,185	456	189
NET TAX LEVY	0	9,504	88,898	216,293	45,186	18,662
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	3	2,201	0	0	0	1,263
OTHER REVENUE	0	0	0	0	0	0
TOTAL REVENUES	3	11,705	88,898	216,293	45,186	19,925
OTHER ADDITIONS						
TRANSFERS	0	0	0	0	0	0
PROCEEDS FROM SALE OF BONDS	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	3	11,705	88,898	216,293	45,186	19,925
APPROPRIATION	0	0	43,637	491,457	236,889	0
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	0	0	43,637	491,457	236,889	0
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	3	11,705	45,261	(275,164)	(191,703)	19,925
BEGINNING BALANCE, JANUARY 1	223	55,080	(145,493)	(2,206,644)	(956,392)	84,203
ENDING BALANCE, DECEMBER 31	$226	$66,785	($100,232)	($2,481,808)	($1,148,095)	$104,128

REVENUES	MAIN WHITMAN	SEVENTH STREET	MIDTOWN	BROADWAY	STATE ALPINE	JEFFERSON 3RD	MULFORD STATE	TOTAL RETAIL TIF DISTRICTS
PROPERTY TAXES								
SPECIAL DISTRICTS	$19,642	$784,396	$18,302	$52,238	$117,600	$14,110	$196,185	$2,968,451
LESS, UNCOLLECTIBLE TAXES	196	7,844	183	522	1,176	141	1,962	29,684
NET TAX LEVY	19,446	776,552	18,119	51,716	116,424	13,969	194,223	2,938,767
INTERGOVERNMENTAL								0
REVENUE, RENTS & INTEREST	0	0	859	1,325	4,009	186	161	20,539
OTHER REVENUE	0	0	0	0	0	0	0	0
TOTAL REVENUES	19,446	776,552	18,978	53,041	120,433	14,155	194,384	2,959,306
OTHER ADDITIONS								
TRANSFERS	0	0	0	0	0	0	0	381,265
PROCEEDS FROM SALE OF BONDS	0	0	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	19,446	776,552	18,978	53,041	120,433	14,155	194,384	3,340,571
APPROPRIATION	118,726	73,170	4,551	35,000	140,000	13,837	137,567	3,426,441
NON EXPENSE APPROPRIATION								
EXPENDITURES AND TRANSFERS	118,726	73,170	4,551	35,000	140,000	13,837	137,567	3,426,441
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(99,280)	703,382	14,427	18,041	(19,567)	318	56,817	(85,870)
BEGINNING BALANCE, JANUARY 1	(637,233)	(711,226)	57,236	88,309	309,372	298	123,281	(3,221,627)
ENDING BALANCE, DECEMBER 31	($736,513)	($7,844)	$71,663	$106,350	$289,805	$616	$180,098	(3,307,497)

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
SPECIAL REVENUE FUNDS - TAX INCREMENT FINANCE DISTRICTS
(PAGE 2 OF 2)

REVENUES	LINCOLNWOOD #1	LINCOLNWOOD #2	HOPE 6	GARRISON	RIVER OAKS	JACKSON SCHOOL
PROPERTY TAXES						
SPECIAL DISTRICTS	$63,792	$42,605	$153,572	$67,448	$23,655	$32,600
LESS, UNCOLLECTIBLE TAXES	638	426	1,536	674	237	326
NET TAX LEVY	63,154	42,179	152,036	66,774	23,418	32,274
INTERGOVERNMENTAL						
REVENUE, RENTS & INTEREST	1,527	0	0	0	0	0
OTHER REVENUE	0	0	0	0	0	0
TOTAL REVENUES	64,681	42,179	152,036	66,774	23,418	32,274
OTHER ADDITIONS						
TRANSFERS						
PROCEEDS FROM SALE OF BONDS	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	64,681	42,179	152,036	66,774	23,418	32,274
APPROPRIATION	82,650	65,330	275,383	161,070	327,407	69,625
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	82,650	65,330	275,383	161,070	327,407	69,625
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(17,969)	(23,151)	(123,347)	(94,296)	(303,989)	(37,351)
BEGINNING BALANCE, JANUARY 1	101,785	(8,283)	(553,531)	(577,131)	(1,995,480)	(155,007)
ENDING BALANCE, DECEMBER 31	$83,816	($31,434)	($676,878)	($671,427)	($2,299,469)	($192,358)

REVENUES	TOTAL RESIDENTIAL TIF DISTRICTS	ROCKFORD GLOBAL TRADE PARK #1	ROCKFORD GLOBAL TRADE PARK #2	ROCKFORD GLOBAL TRADE PARK #3	ROCKFORD GLOBAL TRADE SOUTH	PRESTON CENTRAL
PROPERTY TAXES						
SPECIAL DISTRICTS	$383,672	$816,900	$248,600	$17,500	$11,703	$76,300
LESS, UNCOLLECTIBLE TAXES	3,837	8,169	2,486	175	117	763
NET TAX LEVY	379,835	808,731	246,114	17,325	11,586	75,537
INTERGOVERNMENTAL	0					
REVENUE, RENTS & INTEREST	1,527	0	8,968	3,294	443	0
OTHER REVENUE	0	0	0	0	0	0
TOTAL REVENUES	381,362	808,731	255,082	20,619	12,029	75,537
OTHER ADDITIONS						
TRANSFERS	0	0	0	0	0	0
PROCEEDS FROM SALE OF BONDS	0	0	0	0	0	0
TOTAL REVENUES & ADDITIONS	381,362	808,731	255,082	20,619	12,029	75,537
APPROPRIATION	981,465	1,149,311	38,900	0	0	107,462
NON EXPENSE APPROPRIATION						
EXPENDITURES AND TRANSFERS	981,465	1,149,311	38,900	0	0	107,462
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(600,103)	(340,580)	216,182	20,619	12,029	(31,925)
BEGINNING BALANCE, JANUARY 1	(3,187,647)	(413,951)	597,853	8,458	29,537	(1,489,941)
ENDING BALANCE, DECEMBER 31	(3,787,750)	($754,531)	$814,035	$29,077	$41,566	($1,521,866)

REVENUES	KISHWAUKEE HARRISON #1	KISHWAUKEE HARRISON #2	TOTAL INDUSTRIAL TIF DISTRICTS	TOTAL ALL TIF DISTRICTS
PROPERTY TAXES				
SPECIAL DISTRICTS	$39,750	$0	$1,210,753	$4,562,876
LESS, UNCOLLECTIBLE TAXES	398	0	12,108	45,629
NET TAX LEVY	39,352	0	1,198,645	4,517,247
INTERGOVERNMENTAL			0	0
REVENUE, RENTS & INTEREST	1,430	9	14,144	36,210
OTHER REVENUE	0	0	0	0
TOTAL REVENUES	40,782	9	1,212,789	4,553,457
OTHER ADDITIONS				
TRANSFERS			0	381,265
PROCEEDS FROM SALE OF BONDS	0	0	0	0
TOTAL REVENUES & ADDITIONS	40,782	9	1,212,789	4,934,722
APPROPRIATION	33,788	0	1,329,461	5,737,367
NON EXPENSE APPROPRIATION				
EXPENDITURES AND TRANSFERS	33,788	0	1,329,461	5,737,367
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	6,994	9	(116,672)	(802,645)
BEGINNING BALANCE, JANUARY 1	95,326	611	(1,172,107)	(7,581,381)
ENDING BALANCE, DECEMBER 31	$102,320	$620	($1,288,779)	($8,384,026)

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
INTERNAL SERVICE FUNDS

REVENUES	PROPERTY	EQUIPMENT	CENTRAL STORES	RISK MGMT	INFORMATION TECHNOLOGY	911 COMMUNICA-TIONS	ILLINOIS MUNICIPAL RETIREMENT	UNEMPLOY-MENT TAX	WORKER'S COMPENSATION	AUDITING	HEALTH INSURANCE	ELIMINATIONS	TOTAL
PROPERTY TAXES				$2,945,640			$3,298,000			$128,060			$6,371,700
LESS, UNCOLLECTIBLE TAXES				29,456			32,981			1,281			63,718
NET TAX LEVY				2,916,184			3,265,019			126,779			6,307,982
TAX LEVY REIMBURSEMENTS				0			300	1,300	260			$1,860	0
PROPERTY TAXES PRIOR ADJUST				2,916,184			3,265,319	1,300	260	126,779		1,860	6,307,982
LESS, PROVISION FOR ACCTG INT				0									0
LESS, TAX CAP EFFECTS				0			0	0	0	0		0	0
TOTAL PROPERTY TAXES				2,916,184			3,265,319	1,300	260	126,779		1,860	6,307,982
INTERGOVERNMENTAL						$846,247	325,000						1,171,247
SERVICE CHARGES	$2,987,280	$3,398,390	$438,150	1,172,460	$3,856,714							311,750	11,541,244
FINES AND PENALTIES													
RENTS AND INTEREST	20,000	5,000					10,000	9,700	15,000		$119,900		179,600
OTHER REVENUE											3,577,109		3,577,109
RESTRICTED RECEIPTS													
MISCELLANEOUS	0	15,000	0	115,000	0	0	0	0	0	0	0	0	130,000
TOTAL REVENUES	3,007,280	3,418,390	438,150	4,203,644	3,856,714	846,247	3,600,319	11,000	15,260	126,779	3,697,009	313,610	22,907,182
OTHER ADDITIONS													
TRANSFERS	24,563	0	0			4,843,997	3,475,957	166,500	2,727,082	63,670	16,300,273	1,076,098	26,525,944
TOTAL REVENUES & ADDITIONS	3,031,843	3,418,390	438,150	4,203,644	3,856,714	5,690,244	7,076,276	177,500	2,742,342	190,449	19,997,282	1,389,708	49,433,126
APPROPRIATION	2,862,893	3,345,306	438,148	4,169,330	3,599,815	5,690,244	7,098,957	166,725	2,747,150	191,730	21,977,900	1,389,708	50,898,490
AND TRANSFERS	2,862,893	3,345,306	438,148	4,169,330	3,599,815	5,690,244	7,098,957	166,725	2,747,150	191,730	21,977,900	1,389,708	50,898,490
PROJECTED EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	168,950	73,084	2	34,314	256,899	0	(22,681)	10,775	(4,808)	(1,281)	(1,980,618)		(1,465,364)
BEGINNING BALANCE, JANUARY 1	907,882	397,342	256,709	(7,163,356)	1,516,239	0	34,844	223,202	738,994	0	6,387,768		3,299,624
ADJUSTMENT FOR NON-RECURRING TRANSFERS	0	0	0	0	0	0	0	0	0	0	0		0
ENDING BALANCE, DECEMBER 31	$1,076,832	$470,426	$256,711	($7,129,042)	$1,773,138	$0	$12,163	$233,977	$734,186	($1,281)	$4,407,150		$1,834,260

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
PROPRIETARY, FIDUCIARY, DEBT SERVICE FUND TYPES

	PROPRIETARY			FIDUCIARY			DEBT SERVICE		
REVENUES	WATER	PARKING	TOTAL	POLICE	FIRE	TOTAL	DEBT SERVICE	CAPITAL REPLACEMENT	TOTAL
PROPERTY TAXES									
CITY WIDE							$14,220,680		$14,220,680
TAXABLE BONDS							1,300,344		1,300,344
LESS, PROVISION FOR ABATEMENT							11,904,259		11,904,259
LESS, PROVISION FOR UNCOLLECTABLE TAXES							36,533		36,533
NET TAX LEVY							3,580,232		3,580,232
TAX LEVY REIMBURSEMENTS									
TOTAL PROPERTY TAXES							3,580,232		3,580,232
INTERGOVERNMENTAL							760,000	1,150,000	1,910,000
SERVICE CHARGES	$26,937,000		$26,937,000						
FINES AND PENALTIES		$518,442	518,442						
REVENUE, RENTS & INTEREST	200,000	1,738,117	1,938,117	$5,350,000	$4,800,000	$10,150,000			
FAIR VALUE ADJUSTMENT				5,000,000	2,000,000	7,000,000			
OTHER REVENUE								120,000	120,000
MEMBER CONTRIBUTIONS				2,029,200	1,885,900	3,915,100			
MISCELLANEOUS	95,000	0	95,000	0	0	0	120,000		120,000
TOTAL REVENUES	27,232,000	2,256,559	29,488,559	12,379,200	8,685,900	21,065,100	4,460,232	1,270,000	5,730,232
OTHER ADDITIONS									
TRANSFERS	107,250	286,600	393,850	7,885,569	8,625,745	16,511,314	5,796,925	2,681,491	8,478,416
TOTAL REVENUES & ADDITIONS	27,339,250	2,543,159	29,882,409	20,264,769	17,311,645	37,576,414	10,257,157	3,951,491	14,208,648
APPROPRIATION	25,156,321	2,762,367	27,918,688	16,290,157	17,092,371	33,382,528	19,725,203	4,204,179	23,929,382
NON-APPROPRIATION EXPENSES									
LEGAL REQUIREMENT FOR DEBT SERVICE							(5,563,868)		(5,563,868)
PROJECTED EXPENDITURES AND TRANSFERS	25,156,321	2,762,367	27,918,688	16,290,157	17,092,371	33,382,528	14,161,335	4,204,179	18,365,514
PROJECTED EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	2,182,929	(219,208)	1,963,721	3,974,612	219,274	4,193,886	(3,904,178)	(252,688)	(4,156,866)
BEGINNING BALANCE, JANUARY 1	133,779,197	15,506,925	149,286,122	178,430,602	158,574,965	337,005,567	10,637,585	652,756	11,290,341
ENDING BALANCE, DECEMBER 31	$135,962,126	$15,287,717	$151,249,843	$155,807,420	$140,569,120	$341,199,453	$6,733,407	$400,068	$7,133,475

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
DEBT SERVICE 2015-2021

REVENUES	2015	2016	2017	2018	2019	2020	2021
PT TAXES-CITY	$4,598,342	$3,653,298	$4,500,493	$3,692,554	$3,253,545	$3,077,655	$2,911,065
UNCOLLECTIBLE	(45,983)	(36,533)	(45,005)	(36,926)	(32,535)	(30,777)	(29,111)
	4,552,359	3,616,765	4,455,488	3,655,628	3,221,010	3,046,878	2,881,954
ABATEMENTS-EXEMPT							
TIF DISTRICTS	2,093,800	2,966,072	1,913,702	997,837	986,024	658,387	633,625
WATER	5,826,107	5,563,868	5,250,105	4,754,688	4,761,038	4,684,844	4,704,481
SALES TAX	432,500	416,500	0	0	0	0	0
REDEVELOPMENT/TOURISM	839,750	832,500	484,762	0	0	0	0
OTHER	832,763	824,975	816,788	693,200	713,575	702,025	694,887
	10,024,920	10,603,915	8,465,357	6,445,725	6,460,637	6,045,256	6,032,993
ABATEMENTS-TAXABLE							
TIF DISTRICTS	447,725	350,852	203,375	247,137	288,212	276,612	264,775
SALES TAX	382,594	330,750	315,375	0	0	0	0
REDEVELOPMENT	441,868	441,868	441,868	891,868	893,693	894,230	893,480
PARKING	181,875	176,875	171,875	166,875	161,675	156,475	176,125
OTHER	0	0	0	0	0	0	0
	1,454,062	1,300,345	1,132,493	1,305,880	1,343,580	1,327,317	1,334,380
TOTAL REVENUES	16,031,341	15,521,025	14,053,338	11,407,233	11,025,227	10,419,451	10,249,327
DEBT SERVICE							
2004 2,200,000 WATER ALT	233,805	239,775	0	0	0	0	0
2005 2,200,000 WATER ALT	236,430	233,030	239,430	0	0	0	0
2006 $15,000,000 WATER ALT	1,201,125	1,192,375	1,182,500	1,171,500	1,184,375	1,170,000	1,179,500
2006 2,500,000 HOPE 6 TIF	259,375	251,500	268,625	259,625	250,625	266,625	256,500
2007 6,300,000 METRO CENTER	468,775	467,175	465,175	467,775	469,450	465,425	465,987
2007 6,865,000 CORONADO REFUND	959,750	952,500	949,312	0	0	0	0
2007 1,100,000 PRESTON CENTRAL TIF	87,363	85,112	82,863	80,613	78,363	101,113	97,738
2007 1,100,000 NW SEWER ALT	432,500	416,500	0	0	0	0	0
2007 3,500,000 LIBRARY ALT	243,988	237,800	231,613	225,425	244,125	236,600	228,900
2007 3,500,000 WATER	279,888	272,669	265,450	283,188	274,788	266,188	257,388
2008 9,000,000 WATER	721,125	704,125	712,125	719,125	700,125	680,531	685,343
2008 1,100,000 GLOBAL PARK #1TIF	131,750	328,000	416,000	0	0	0	0
2008 200,000 JACKSON SCHOOL TIF	27,938	27,000	26,000	0	0	0	0
2008 1,850,000 PARKING ALT	181,875	176,875	171,875	166,875	161,675	156,475	176,125
2009 350,000 RIVER NORTH TIF	42,213	41,175	40,137	39,100	38,062	36,800	35,537
2009 1,300,000 MAIN WHITMAN TIF	117,062	113,537	110,012	106,487	102,962	99,437	95,875
2009 950,000 TAX GLOBAL TRADE #1 TIF	88,250	85,575	82,900	80,225	127,550	122,200	116,800
2009 8,065,000 TAX METRO REFUNDING	441,868	441,868	441,868	891,868	893,693	894,230	893,480
2009 4,325,000 WATER REFUND	236,988	240,538	243,225	0	0	0	0
2009 1,350,000 SPRINGFIELD CORNERS TIF	127,225	123,850	120,475	166,912	160,662	154,412	147,975
2009 350,000 RIVER TIF	39,000	37,875	36,750	35,562	34,312	33,062	31,775
2010 3,400,000 WATER	250,625	246,875	242,375	237,875	233,000	228,125	223,250
40.8 IEPA WATER	2,434,371	2,434,481	2,438,436	2,438,437	2,438,437	2,438,437	2,438,438
2012 3,225,000 CIP REFUNDING	851,700	0	0	0	0	0	0
2012 930,000 SPRINGFIELD CORNERS TIF REFUNDING	113,350	111,350	114,350	112,250	125,150	127,750	0
2012 830,000 WATER REFUNDING	231,750	0	0	0	0	0	0
2014 5,420,000 FIRE STATION 3	382,594	381,444	380,144	383,694	381,944	385,044	382,844
2014 1,850,000 SWTIF REFUNDING	337,250	338,550	344,550	345,100	355,350	0	0
2014 1,648,811 GLOBAL TRADE PARK TIF REFUNDING	345,110	382,676	368,677	404,509	0	0	0
2014 1,251,890 NORTH MAINT TIF REFUNDING	184,739	178,523	172,523	166,841	140,150	141,400	132,500
2014 413,762 LINCOLNWOOD 2 TIF REFUNDING	65,647	63,514	60,981	59,241	56,824	80,382	76,341
2014 1,487,043 SPRINGFIELD CORNERS TIF REFUNDING	204,173	197,773	190,176	205,621	202,484	221,703	210,926
2014 1,390,547 RIVER OAKS TIF REFUNDING	281,344	298,144	306,224	307,157	313,944	0	0
2014 1,306,421 GARRISON TIF REFUNDING	145,694	141,427	136,363	132,881	128,048	175,165	167,082
2014 272,227 LINCOLNWOOD TIF REFUNDING	88,042	84,842	112,156	0	0	0	0
2014 3,005,000 CIP REFUNDING	832,750	840,000	0	0	0	0	0
2014 2,445,000 CIP REFUNDING	912,750	918,250	871,500	0	0	0	0
2014 670,000 7TH STREET TIF REFUNDING	234,600	0	0	0	0	0	0
2014 935,000 SRED	313,850	322,950	306,750	0	0	0	0
2014 12,900,000 METRO REFUNDING	1,262,710	1,265,510	1,267,910	1,262,660	1,264,791	1,266,585	1,265,060
2015 16.52 GOBA	0	645,863	653,888	656,687	664,338	671,762	683,962
	$16,031,341	$15,521,025	$14,053,338	$11,407,233	$11,025,227	$10,419,451	$10,249,327
	0	0	0	0	0	0	0

CITY OF ROCKFORD, ILLINOIS
EQUALIZED ASSESSED VALUATIONS, LEVIES, AND TAX RATES
(RATES ARE DOLLARS PER ONE HUNDRED EAV)
(YEARS ARE LEVY YEARS, NOT COLLECTION YEARS)

FUND	2013 ACTUAL	FINAL LEVY 2014	EST FINAL 2015	2015-14 CHANGE	2015 RATES
TAX LEVIES FOR OPERATIONS					
GENERAL FUND					
CORPORATE	$7,349,999	6,352,616	**$6,222,966**	**(129,650)**	**0.4375**
POLICE PROTECTION	10,099,087	8,712,160	**8,535,390**	**(176,770)**	**0.6000**
POLICE PENSION	3,619,410	4,666,813	**5,340,527**	**673,714**	**0.3795**
SCHOOL CROSSING	11,869	62,437	**62,432**	**(5)**	**0.0044**
FIRE PROTECTION	10,099,087	8,712,160	**8,535,390**	**(176,770)**	**0.6000**
FIRE PENSION	4,077,998	5,050,149	**5,888,069**	**837,920**	**0.4184**
FIRE PENSION-93-69	0	582,263	**361,451**	**(220,812)**	**0.0257**
JUDGMENTS	1,380,838	3,490,672	**2,875,633**	**(615,039)**	**0.2277**
STREET & BRIDGE	1,691,516	1,451,539	**1,422,089**	**(29,450)**	**0.1000**
TOTAL GENERAL FUND	38,329,804	39,080,808	**39,243,947**	**163,139**	**2.7932**
SANITATION	35,655	36,301	**35,695**	**(606)**	**0.0025**
SANITARIUM	159,659	161,175	**161,404**	**229**	**0.0115**
LIBRARY	7,218,375	7,030,000	**7,030,000**	**0**	**0.4996**
LIBRARY-MAINTENANCE	292,962	300,000	**300,000**	**0**	**0.0200**
IMRF PENSION	3,024,950	3,258,348	**3,356,104**	**97,756**	**0.2386**
UNEMPLOYMENT TAX	140,993	145,203	**145,885**	**682**	**0.0104**
WORKMEN'S COMPENSATION	2,185,927	2,465,541	**2,465,201**	**(340)**	**0.1752**
AUDITING	137,595	185,859	**186,236**	**377**	**0.0133**
LEVIES-OPERATIONS	51,525,920	52,663,235	**52,924,472**	**261,237**	**3.7643**
LEVIES DEBT SERVICE					**3.3641**
EXISTING DEBT	4,750,610	3,431,139	**2,597,200**	**(833,939)**	**0.1847**
PROPOSED DEBT	0	0	**0**	**0**	**0.0000**
LEVIES DEBT SERVICE	4,750,610	3,431,139	**2,597,200**	**(833,939)**	**0.1826**
TOTAL TAX LEVIES	56,276,530	48,764,374	55,521,672	(572,702)	**3.8237**
LESS, TOWNSHIP ROAD AND BRIDGE		947,685	**928,822**	**(18,863)**	**0.0653**
ESTIMATED TC EXTENSION		43,803,287	44,304,199		**0.0342**
TAX EXTENSION LIMIT (CAP)		43,845,708	44,304,199		
NOT CAPPED					
			0		
CITY TAX RATE					
OPERATIONS		3.0568	3.1399		
DEBT SERVICE		0.2363	0.1826		
CITY TAX RATE		3.2931	3.3225		
EQUALIZED ASSESSED VALUATION		1,452,026,645	$1,422,514,044		
		0.0688	(0.0203)		

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
SCHEDULE OF TRANSFERS AND PURCHASE OF SERVICES

TRANSFER FROM							TRANSFER TO				
		CAPITAL							POLICE	FIRE	IMRF
	GENERAL	PROJECT		PROPERTY	EQUIPMENT	STORES		WATER	PENSION	PENSION	PENSION
GENERAL			1,500,000	1,745,300	2,473,130		153,210	95,600	7,885,569	8,625,745	3,113,834
GENERAL-TRAFFIC											
INFO TECHNOLOGY	35,400			49,960	360						84,715
911 COMM											790,284
MOTOR FUEL TAX	1,500,000		2,420,000								
CAPITAL PROJECT	741,570			85,270	43,030						257,719
PARKING	192,718			140,590	21,960		12,890				32,317
SANITATION	5,308,705										
PW BLDG MT	128,300			25,290	72,700		43,770				110,247
PW EQUIP MT	72,700			151,720	32,970		39,400				124,485
PW STORES	25,000			12,640	4,220						47,929
WATER	2,598,200			447,394	564,060		179,880				824,189
BLOCK GRANT	948,073			30,730	3,280						73,275
REDEVELOPMENT	103,331			230,010							
TOURISM/PROMOTION	1,800										
TIF-EAST SIDE	25,000										
TIF-RIVER EAST											
TIF-WEST SIDE											
TIF-SEVENTH ST	25,000										
TIF-SOUTH ROCKFORD											
TIF-LINCOLNWOOD #1											
TIF-LINCOLNWOOD #2											
TIF-SPRINGFIELD CORNERS											
TIF-NORTH MAIN											
TIF-RKFD GLOBAL PARK	124,400										
TIF-RIVER OAKS											
TIF-GARRISON											
TIF-HOPE 6											
TIF-STATE ALPINE	20,000										
TIF-RIVER NORTH											
TIF-MAIN WHITMAN											
TIF-JACKSON SCHOOL	15,000										
TIF-PRESTON CENTRAL											
TIF-MULFORD STATE	50,000										
HUMAN SERVICES					183,080						834,804
RMAP	12,600										99,896
LIBRARY											705,331
POLICE PENSION	106,503										
FIRE PENSION	103,667										
IMRF PENSION	3,356,104										
WK COMP-PERS	96,900										
HEALTH	169,600			76,800							
UNEMPLOYMENT INS	134,478										
WORK COMP	2,423,942										
AUDITING	111,285										
JUDGMENTS	416,700										
	18,846,976		3,920,000	2,995,704	3,398,790		429,150	95,600	7,885,569	8,625,745	7,099,025

CITY OF ROCKFORD, ILLINOIS
2016 BUDGET
SCHEDULE OF TRANSFERS AND PURCHASE OF SERVICES

TRANSFER FROM

	HEALTH INSURANCE	UNEMPLOY INSURANCE	WORK COMP	AUDITING	INFO TECH	RISK MGMT	DEBT SERVICE	CAPITAL REPLACEMENT	TIF-WEST SIDE 1	TIF-EAST RIVER	TIF-S ROCKFORD	911 COMM	MVPS	TOTAL
GENERAL	16,225,273	134,478	2,423,942	117,785	2,594,560	2,945,640	539,450	2,681,491				4,843,997	267,022	58,366,026
GENERAL-TRAFFIC													46,600	46,600
INFO TECHNOLOGY	71,006	900	1,168			7,660							2,940	254,109
911 COMM	737,542	9,540	10,895	1,425	39,410	15,000								1,604,096
MOTOR FUEL TAX														3,920,000
CAPITAL PROJECT	283,626	3,402	13,418	9,400	86,796	503,710							11,113	2,039,054
PARKING	46,228	540	4,947	450		8,150	404,989						2,160	867,939
SANITATION				650										5,309,355
PW BLDG MT	170,535	1,800	23,154	600	22,502	155,630								754,528
PW EQUIP MT	151,190	1,620	28,868	815	13,858	12,160								629,786
PW STORES	39,624	720	661	125	15,272	1,130								147,321
WATER	868,686	11,160	172,012	12,000	247,658	328,530							1,692	6,255,461
BLOCK GRANT	99,060	1,080	4,305	7,200	51,178	15,880							3,528	1,237,589
REDEVELOPMENT				880			3,133,628							3,467,849
TOURISM/PROMOTI														1,800
TIF-EAST SIDE									105,000					130,000
TIF-RIVER EAST							37,875				125,000			162,875
TIF-WEST SIDE							700,000							700,000
TIF-SEVENTH ST										7,170				32,170
TIF-SOUTH ROCKFOR							365,518							365,518
TIF-LINCOLNWOOD #							82,650							82,650
TIF-LINCOLNWOOD #							65,206							65,206
TIF-SPRINGFIELD CO							458,357							458,357
TIF-NORTH MAIN							194,963							194,963
TIF-RKFD GLOBAL PA							809,013							933,413
TIF-RIVER OAKS							297,475							297,475
TIF-GARRISON							152,413							152,413
TIF-HOPE 6							251,500							251,500
TIF-STATE ALPINE														20,000
TIF-RIVER NORTH							29,370							29,370
TIF-MAIN WHITMAN							109,168							109,168
TIF-JACKSON SCHOO							27,000							42,000
TIF-PRESTON CENTR							85,113							85,113
TIF-MULFORD STATE														50,000
HUMAN SERVICES	1,150,786		30,065	15,600	505,210	120,780								2,840,325
RMAP	85,150	1,260	1,377	830	38,290	2,530							5,040	246,973
LIBRARY			17,235	15,000			244,000						10,000	991,566
POLICE PENSION														106,503
FIRE PENSION														103,667
IMRF PENSION				225										3,356,329
WK COMP-PERS														96,900
HEALTH				1,000										247,400
UNEMPLOYMENT IN				225										134,703
WORK COMP				250										2,424,192
AUDITING				7,500										118,785
JUDGMENTS														416,700
	19,928,706	166,500	2,732,047	191,960	3,614,734	4,116,800	7,987,688	2,681,491	105,000	7,170	125,000	4,843,997	350,095	100,147,747

CITY OF ROCKFORD, ILLINOIS
2015 RESULTS OF OPERATIONS (UNAUDITED)
2016 BUDGET

FUND	BEGINNING BALANCE 1/1/15	REVENUES	EXPENDITURES EXPENSES	EXCESS (DEFICIT)	ENDING BALANCE 12/31/15
GENERAL-OPERATING	$35,567,463	130,929,078	129,228,198	$1,700,880	$37,268,343
SPECIAL REVENUE					
MOTOR FUEL TAX	11,704,798	3,744,420	6,679,787	(2,935,367)	8,769,431
SANITATION	4,134,143	12,496,025	12,017,562	478,463	4,612,606
COMMUNITY DEVELOPMENT	642,927	4,651,226	5,559,262	(908,036)	(265,109)
REDEVELOPMENT TAX	1,871,057	5,062,690	3,672,490	1,390,200	3,261,257
TOURISM PROMOTION TAX	471,335	1,888,311	1,863,859	24,452	495,787
TAX INCREMENT DISTRICTS	(5,501,582)	5,693,346	6,104,460	(411,114)	(5,912,696)
HUMAN SERVICES	974,805	12,678,676	14,856,202	(2,177,526)	(1,202,721)
TUBERCULOSIS SANITARIUM	159,297	162,986	105,189	57,797	217,094
LIBRARY	9,314,207	8,858,080	7,930,490	927,590	10,241,797
OTB SPECIAL PROJECTS	147,723	86,247	70,000	16,247	163,970
RMAP PLANNING	(117,444)	990,609	1,158,354	(167,745)	(285,189)
DEBT SERVICE	10,637,585	16,031,341	12,373,130	3,658,211	14,295,796
CAPITAL REPLACEMENT	1,051,249	3,231,152	3,643,300	(412,148)	639,101
CAPITAL PROJECT	5,588,205	40,604,164	55,050,910	(14,446,746)	(8,858,541)
ENTERPRISE					
WATER SYSTEM	134,915,908	25,089,616	21,719,266	3,370,350	138,286,258
PARKING SYSTEM	14,929,756	8,176,453	3,330,797	4,845,656	19,775,412
INTERNAL SERVICE					
PUBLIC WORKS PROPERTY	835,109	2,855,353	2,822,519	32,834	867,943
PUBLIC WORKS EQUIPMENT	393,006	2,951,705	3,105,923	(154,218)	238,788
PUBLIC WORKS CENTRAL STORES	306,054	446,096	420,248	25,848	331,902
911 COMMUNICATIONS	0	5,400,427	5,393,387	7,040	7,040
IMRF PENSION	61,433	6,553,598	6,575,485	(21,887)	39,546
UNEMPLOYMENT INSURANCE	369,764	183,397	53,878	129,519	499,283
WORKER'S COMPENSATION	791,554	2,984,276	343,244	2,641,032	3,432,586
AUDITING	0	245,017	81,025	163,992	163,992
RISK MANAGEMENT	(8,747,792)	3,713,962	3,955,694	(241,732)	(8,989,524)
INFORMATION TECHNOLOGY	1,441,550	3,430,711	3,366,673	64,038	1,505,588
HEALTH INSURANCE	9,028,056	19,034,878	19,424,241	(389,363)	8,638,693
PENSION					
POLICE PENSION	182,974,009	14,483,924	13,881,001	602,923	183,576,932
FIRE PENSION	160,653,513	13,996,564	16,609,682	(2,613,118)	158,040,395

CITY OF ROCKFORD, IL
2016 BUDGET
SUMMARY OF THREE YEAR EXPENSES AND REVENUES

	2013 ACTUAL REVENUE	2013 ACTUAL EXPENSE	2013 EXCESS (DEFICIT)	2014 ACTUAL REVENUE	2014 ACTUAL EXPENSE	2014 EXCESS (DEFICIT)	2015 ACTUAL REVENUE	2015 ACTUAL EXPENSE	2015 EXCESS (DEFICIT)	2016 BUDGETED REVENUE	2016 BUDGETED EXPENSE	2016 EXCESS (DEFICIT)
GENERAL-OPERATING	129,465,835	127,304,087	2,161,748	130,271,852	129,278,829	993,023	130,929,078	129,228,198	1,700,880	127,815,037	127,787,411	27,626
SPECIAL REVENUE												
MOTOR FUEL TAX	4,396,789	2,212,042	2,184,747	5,093,264	1,226,292	3,866,972	3,744,420	6,679,787	(2,935,367)	4,513,500	3,996,300	517,200
SANITATION	9,064,871	9,271,638	(206,767)	11,529,658	12,345,112	(815,454)	12,496,025	12,017,562	478,463	12,366,950	13,901,555	(1,534,605)
COMMUNITY DEVELOPMENT	4,104,563	3,499,908	604,655	3,226,369	3,310,084	(83,715)	4,651,226	5,559,262	(908,036)	3,531,324	3,526,070	5,254
REDEVELOPMENT TAX	4,015,246	2,346,259	1,668,987	4,415,361	3,866,469	548,892	5,062,690	3,672,490	1,390,200	4,448,000	4,968,094	(520,094)
TOURISM PROMOTION TAX	1,532,095	1,532,095	-	1,866,547	1,735,089	131,458	1,888,311	1,863,859	24,452	1,700,000	1,700,000	-
TAX INCREMENT DISTRICTS	4,507,607	5,604,600	(1,096,993)	4,823,559	5,642,093	(818,534)	5,693,346	6,104,460	(411,114)	4,934,722	5,737,367	(802,645)
HUMAN SERVICES	17,356,398	16,491,429	864,969	16,827,446	16,031,832	795,614	12,678,676	14,856,202	(2,177,526)	11,698,084	11,674,191	23,893
TUBERCULOSIS SANITARIUM	154,353	235,460	(81,107)	164,217	120,269	43,948	162,986	105,189	57,797	128,124	127,600	524
LIBRARY	8,568,112	7,899,569	668,543	8,773,286	7,966,285	807,001	8,858,080	7,930,490	927,590	8,492,761	8,745,500	(252,739)
OTB SPECIAL PROJECTS	112,784	50,000	62,784	97,821	90,000	7,821	86,247	70,000	16,247	92,300	90,000	2,300
RMAP PLANNING	933,268	1,210,855	(277,587)	1,179,992	1,130,464	49,528	990,609	1,158,354	(167,745)	1,009,873	995,986	13,887
DEBT SERVICE	11,744,620	13,056,521	(1,311,901)	10,728,509	10,728,509	-	16,031,341	12,373,130	3,658,211	10,257,157	14,161,335	(3,904,178)
CAPITAL REPLACEMENT	652,755	1,407,228	(754,473)	3,114,058	2,774,652	339,406	3,231,152	3,643,300	(412,148)	3,951,491	4,204,179	(252,688)
CAPITAL PROJECT	22,953,119	29,180,481	(6,227,362)	33,979,829	33,979,829	-	40,604,164	55,050,910	(14,446,746)	29,870,000	29,870,000	-
ENTERPRISE												
WATER SYSTEM	22,718,285	21,933,640	784,645	25,302,490	24,213,167	1,089,323	25,089,616	21,719,266	3,370,350	27,339,250	25,156,321	2,182,929
PARKING SYSTEM	1,581,404	2,442,393	(860,989)	2,216,358	2,127,657	88,701	8,176,453	3,330,797	4,845,656	2,543,159	2,762,367	(219,208)
INTERNAL SERVICE												
PUBLIC WORKS PROPERTY	2,386,725	2,316,773	69,952	2,609,902	3,005,481	(395,579)	2,855,353	2,822,519	32,834	3,031,843	2,862,893	168,950
PUBLIC WORKS EQUIPMENT	3,555,250	3,828,398	(273,148)	3,373,645	3,700,514	(326,869)	2,951,705	3,105,923	(154,218)	3,418,390	3,345,306	73,084
PUBLIC WORKS CENTRAL STORES	410,472	400,664	9,808	449,744	408,728	41,016	446,096	420,248	25,848	438,150	438,148	2
911 COMMUNICATIONS	5,565,630	5,569,028	(3,398)	5,398,949	5,390,035	8,914	5,400,427	5,393,387	7,040	5,690,244	5,690,244	-
IMRF PENSION	6,797,860	6,810,050	(12,190)	6,889,308	6,881,682	7,626	6,553,598	6,575,485	(21,887)	7,076,276	7,098,957	(22,681)
UNEMPLOYMENT INSURANCE	168,135	57,598	110,537	185,869	48,728	137,141	183,397	53,878	129,519	177,500	166,725	10,775
WORKER'S COMPENSATION	2,928,358	2,042,896	885,462	2,963,789	2,958,365	5,424	2,984,276	343,244	2,641,032	2,742,342	2,747,150	(4,808)
AUDITING	177,027	138,127	38,900	197,677	197,420	257	245,017	81,025	163,992	190,449	191,730	(1,281)
RISK MANAGEMENT	1,902,176	2,475,576	(573,400)	5,384,364	4,620,416	763,948	3,713,962	3,955,694	(241,732)	4,203,644	4,169,330	34,314
INFORMATION TECHNOLOGY	2,784,523	2,647,950	136,573	2,865,743	3,273,557	(407,814)	3,430,711	3,366,673	64,038	3,856,714	3,599,815	256,899
HEALTH INSURANCE	20,187,800	20,195,747	(7,947)	17,271,392	19,723,109	(2,451,717)	19,034,878	19,424,241	(389,363)	19,997,282	21,977,900	(1,980,618)
PENSION												
POLICE PENSION	29,852,376	14,239,271	15,613,105	13,953,760	15,231,712	(1,277,952)	14,483,924	13,881,001	602,923	20,264,769	16,290,157	3,974,612
FIRE PENSION	29,310,252	15,238,411	14,071,841	19,381,474	16,226,941	3,154,533	13,996,564	16,609,682	(2,613,118)	17,311,645	17,092,371	219,274
	349,888,688	321,638,694	28,249,994	344,536,232	338,233,320	6,302,912	356,654,328	361,396,256	(4,741,928)	343,090,980	345,075,002	(1,984,022)

FINANCIAL POLICES: GENERAL STATEMENTS
CITY OF ROCKFORD, ILLINOIS

1. The City of Rockford shall prepare a five year financial plan that is updated and approved annually by the City Council by March 31. An ad hoc advisory committee of community representatives will assist the City by reviewing the five-year expense and revenue projections and by making recommendations for changes in financial policy.

2. The City of Rockford shall intensify its efforts to retain and create jobs as well as expand the property tax base by providing Industrial Development Bonds, obtaining Urban Development Action Grants, providing low interest loans, and offering other such assistance to businesses and industries.

3. Recognizing that short-term borrowing is an acceptable fiscal procedure to be used when the fiscal needs of the City dictate, the City shall reduce or eliminate its dependence on short-term borrowing by maintaining adequate fund and cash balances.

The City will maintain a general fund balance at a level sufficient to provide for:

A. The reduction or elimination of short-term borrowing for operating expenses.

B. Meeting cash flow requirements, temporary short falls in revenue or emergency expenditure demands.

The minimum level of the General Fund balance shall be:

A. Fifty percent of the property tax levy of the current fiscal year, and;

B. Six percent of the elastic tax revenue sources (sales, income, and replacement taxes).

The City's cash balances policy is:

4. To ensure that adequate cash balances are available to meet the City's anticipated disbursements, prior to budget deliberations; the Finance Department will annually develop cash flow analysis and recommend cash balance goals at specific points in time to meet those disbursements.

5. For 1988 and years thereafter, a minimum cash balance equal to 70% of those levies that support the General Fund is recommended to be in effect at the beginning of the City's fiscal year, January 1. In addition, necessary cash balances will be maintained for unusual, non-budgeted encumbrances, and balances accrued for the extra payroll occurring every eleven years.

6. Investment of City funds shall be made in accordance with written polices adopted by the City Council on February 18, 1985.

7. The City of Rockford shall plan, develop, and adopt a Five-Year Capital Improvement Program (CIP) annually in conjunction with the five-year operating budget. Citizen input shall be obtained in the development of the program, and after adoption by the City Council, the five-year plans shall be communicated to the public.

FINANCIAL POLICES: CAPITAL IMPROVEMENT PROGRAM
CITY OF ROCKFORD, ILLINOIS

1. The Capital Improvement Plan shall identify projects, their costs and the revenue sources and amounts needed to finance them.

2. The Capital Improvement Program will be financed by borrowing, i.e., obligating future revenues, or the 'pay-as-you-go' method. This decision will be based on the following factors:

   a. Type of Project - The projected useful life of the project will be a determinant. The longer the life of the project, the greater justification for borrowing.

   b. Cost of the Project - The larger the cost of the project, the greater justification for borrowing.

   c. Funding Source - The degree of certainty that exists on the future level and availability of a particular source is a factor.

   d. Fund Availability - If adequate fund balances are available, there is less justification for borrowing.

   e. City Financial Position - Issues such as the existing level of long-term indebtedness of the City, and overall financial condition, should be considered when borrowing.

   f. Municipal Bond Market - Status of the market condition, i.e., interest rates, marketability of bonds, and terms.

3. Schedules will be created for planning ongoing capital replacement in enterprise funds and the funding program to refinance them. These schedules shall be integrated into the Capital Improvement Program.

4. The City shall utilize such debt instruments as are necessary to carry out the Capital Improvement Program.

5. The Capital Improvement planning process will include all revenue sources that are available for capital expenditure. These shall include the following:

   a. Property Tax
   b. Motor Fuel Tax
   c. Gas and Diesel tax
   d. Redevelopment Fund tax
   e. Water Revenues
   f. Parking Revenues
   g. Community Development Block Grants
   h. Special Service Tax Revenues
   i. Tax Increment Financing
   j. Special Assessment Revenues
   k. Federal Aid to Urban Areas Funds
   l. Special Bridge Replacement Funds
   m. Other Federal, State or Local sources of revenue

6. For General Obligation Debt, the City will maintain a debt to assessed value ratio that is 20% more stringent than the state debt limit.

7. These guidelines shall be followed for the following funding sources:

   a. Motor Fuel Tax

      1. No more than 50% of the estimated annual revenue shall be obligated for long-term debt financing.

      2. A portion of the annual revenue shall be used for construction/reconstruction projects.

      3. A portion of the annual revenue shall be used for resurfacing each year.

   b. Gas and Diesel Tax - After debt service and collection cost the remaining annual revenue should be used for annual street resurfacing (Expired 12/31/85).

8. Where feasible, the City shall use all sources of revenue available before using local property tax funds. Where funding sources (i.e., MFT, federal, etc.) carry strict requirements and restrictions that are not considered in the best interest of the City, the City shall utilize its own resources to achieve local objectives through local control.

9. The City shall give priority to those projects that create demonstrated savings and/or revenue in the annual operating budget.

10. Capital funds may be used to incur expenses to analyze the condition of the City's infrastructure, i.e., road and bridge inspection.

11. Where possible, the City will use revenue or other self-supporting bonds instead of general obligation bonds.

12. The length of the term of the bonds will not exceed the useful life of the assets and will be matched as closely as possible to bond buyer preference.

13. The City will not use long-term debt for current operations.

14. The City will make an effort to obtain an 'A' rating by the end of 1987 (achieved July 18, 1986) and an 'AA' rating by the end of 1995. The City currently has an A1 rating.

FINANCIAL POLICES: INVESTMENTS
CITY OF ROCKFORD, ILLINOIS
October, 1998

I. Policy

It is the policy of the City of Rockford to invest Public Funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of Public Funds.

II. Scope

This Investment Policy applies to the investment activities of all funds of the City of Rockford, except for the Police Pension Fund and the Fire Pension Fund, which are subject to the order of the Board of Trustees of each respective fund. All financial assets of other funds, including the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, Special Assessment Funds, Enterprise Funds, Trust and Agency Funds, and other funds that may be created from time to time, shall be administered in accordance with the provisions of this policy.

III. Objective

The primary objective, in priority order of the City of Rockford investment activities shall be:

1. **Safety:**

Safety of principal is the foremost objective of the investment program. Investments of the City of Rockford shall be undertaken in a manner that seeks to insure the preservation of capital in the portfolio.

A. Credit Risk:

Credit Risk is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which an entity will do business, and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

B. Interest Rate Risk:

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- By investing operating funds primarily in shorter-term securities.

2. **Liquidity:**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

3. **Return on Investments:**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1) a declining credit security could be sold early to minimize loss of principal;
2) a security swap would improve the quality yield, or target duration in the portfolio; or
3) liquidity needs of the portfolio require that the security be sold.

IV. Standards of Care

1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the [entity].

3. Delegation of Authority

Authority to manage the City of Rockford's investment program is granted to the Finance Director and derived from the state statutes.

Responsibility for the operation of the investment program is hereby delegated to the Finance Director, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: selection of broker/dealers and financial institutions, safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Finance Director may from time to time amend the written procedures in a manner not inconsistent with this policy or with state statutes.

The responsibility for investment activities of the Fire Pension Fund and the Police Pension Fund rests with the Board of Trustees of each fund, as stated in the state statute.

V. Safekeeping and Custody

1. Authorized Financial Dealers and Institutions

A list will be maintained of financial institutions authorized to provide investment services. The City will maintain operating and investment accounts in the financial institutions within the City of Rockford whenever possible. However, the City may approve qualified depositories regardless of location. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of $10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule), and have offices in the State of Illinois.

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Proof of state registration
- Completed broker/dealer questionnaire
- Certification of having read and understood and agreeing to comply with the [entity's] investment policy

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the Finance Director.

2. Internal Controls

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the [entity] are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Finance Director shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

3. Delivery vs. Payment

All trades, where applicable, will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution before the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

VI. Suitable Investments

1. Investment Types

The City may invest in any type of security allowed for in Illinois statutes regarding the investment of public funds for non home rule municipalities. Approved investments include:

- Bonds, notes, certificates of indebtedness, treasury bills, treasury strips or other securities, including obligation of the Governmental National Mortgage Association, which are guaranteed by the full faith and credit of the government of the United States of America, or other similar obligations of the United States of America or its agencies.
- Interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits or any other investment constituting direct obligations of any institution as defined by the Illinois Banking Act and is insured by the Federal Deposit Insurance Corporation.
- Illinois Public Treasurer's Investment Pool
- Short-term obligations of corporations (commercial paper) organized in the United States with assets exceeding $500 million and rated at the time of purchase at the highest classification established by at least two standard rating services. Must mature within 180 days from the date of purchase. Such purchase may not exceed 10% of the corporation's outstanding obligations and no more than 25% of the City's funds may be invested in commercial paper.
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States. Investments may be made only in those savings and loan associations of which the shares, or investment certificates are insured by the Federal Deposit Insurance Corporation.
- Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market fund is limited to obligations described in Paragraph 1 above and to agreements to repurchase such obligations.

2. Collateralization

Effective with purchases after January 1, 1999, collateralization will be required on Certificates of Deposit. In order to anticipate market changes and provide a level of security for the funds, the amount of collateral will be at least 110% of the total investment less the amount insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation (currently $100,000.00).

All securities, pledged as collateral, shall be placed for safekeeping in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution not owned or controlled by the depository institution or its holding company.

The City will accept any of the following securities as collateral:

- Negotiable obligations of the United States Government; or
- Negotiable obligations of any agency or instrumentality of the United States Government guaranteed by the full faith and credit of the United States Government; or
- Negotiable obligations of the State of Illinois.

Collateral agreements will preclude the release of the pledged assets without an authorized signature from the City of Rockford, but they will allow for an exchange of collateral equal to or greater in value.

VII. Investment Parameters

1. Diversification

The City shall diversify its investments and may use the following investment categories and percentages as a guide in establishing actual limits:

a)	U.S. Treasury Securities	Not to exceed 50% of Portfolio
b)	U.S. Government Agencies and Instrumentalities of Government Sponsored Corporation	Not to exceed 50% of Portfolio
c)	Certificates of Deposit of Financial Institutions	Not to exceed 50% of Portfolio
d)	Certificates of Deposit of any One Financial Institution	Not to exceed 20% of Portfolio
e)	Commercial Paper	Not to exceed 25% of Portfolio

f)	Illinois Public Treasurers Investment Pool or other Money Market Securities	Not to exceed 50% of Portfolio
g)	Securities purchased for Interest Rate Play	Not to exceed 25% of Portfolio

2. Maximum Maturities

To the extent possible, the City of Rockford will attempt to match its investments with anticipated cash flow requirements. We recognize that there is a permanent part of the portfolio, and when the increase in return for extending maturities is compelling, the Finance Director may consider extending a segment of the portfolio into longer-term maturities. The maximum maturity for City investments shall be fifteen (15) years. The average maturity of the total portfolio shall not exceed five (5) years.

VIII. Reporting

1. Methods

The Finance Director shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner that will allow the [entity] to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Mayor and City Council. The report will include the following:

- Listing, by investment type, of individual securities held at the end of the reporting period.
- Listing of investments by maturity date.
- Percentage of the total portfolio which each type of investment represents.
- Percentage of the total portfolio by financial institution/broker dealer.

2. Performance

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio, taking into account the City's investment constraints and cash flow needs, should obtain a market average rate of return during a market/economic environment of stable interest rates.

The City's investment strategy is passive, but the Finance Director reviews market conditions and is available to take advantage of market opportunities. Given this strategy, the basis used by the Finance Director to determine whether market yields are being achieved shall be the current six-month U.S. Treasury Bill and/or the Average Fed Funds Rate. Since these indices are relatively risk-free benchmarks, they comprise a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold.

3. Market to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." *(See GFOA Recommended Practices, Appendix 1.)* In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

IX Policy Considerations

1. Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

2. Amendments

This policy shall be reviewed on an annual basis. Any changes must be approved by the Finance Director and any other appropriate authority, as well as the individuals(s) charged with maintaining internal controls.

X Attachments

The following documents, as applicable, are attached to this policy:

1. GFOA Recommended Practices
2. List of authorized personnel
3. Relevant investment statutes and ordinances
4. List of authorized Broker/Dealers and Financial Institutions
5. Glossary of Terms

XI Adoption

The City's investment policy shall be adopted by resolution of the City Council.
The Policy shall be reviewed annually by the Finance Director and any modifications made thereto must be approved by the City Council.

This Policy supersedes all prior investment policies.

COMMUNITY PROFILE – ROCKFORD, ILLINOIS

Location

The City of Rockford is located along the Rock River in north central Illinois approximately 90 miles northwest of downtown Chicago and 17 miles south of the Wisconsin border. Rockford is the third largest city in the State of Illinois with a population of 152,871 (2010 Census Bureau estimate). The Rockford, Illinois Metropolitan Statistical Area, which consists of Winnebago, Boone, and Ogle Counties in Illinois, has an estimated population of 402,928 (2010). The City presently encompasses an area of approximately 61.81 square miles, up from 41 square miles in 1980.

History

New England settlers who valued the waterpower of the Rock River founded Rockford. The early village was called Midway because of its location halfway between Galena and Chicago. In 1837, the town became Rockford, named for a shallow place in the river with a rocky bottom where Indian and settlers once crossed. In 1839, it was incorporated as a town and selected as the County seat and by 1852, the town had become a city. Though Rockford's original settlers were from New England, a large Swedish population began settling in Rockford in the early 1850's bringing with them craftsman skills in woodworking and metals. This led to Rockford's first big industry, the furniture industry. A large percentage of the present population in Rockford is of Swedish descent while many other ethnic groups have become permanent members of the Rockford community in the last century.

Other important industries in Rockford before World War I included knitting and farm implements. By the 1920's, many of the industries turned to the production of metal products such as tools, hardware, dies, and fixtures for larger companies. These industries eventually overtook Rockford's traditional industries as the backbone of its economy and proved to be particularly important during World War II. To this day, the local economy is heavily reliant on metal fabrication industries.

Rockford Today

Rockford is the industrial and business hub of the Rock River Valley as well as North Central and Northwestern Illinois. Located just 65 miles northwest of Chicago's O'Hare International Airport and 90 miles east of the Mississippi River, its location allows for easy access to regional, national, and international markets. The economy is still based largely in manufacturing and is the largest fastener product producer (screw, nuts, and bolts) in the United States. Rockford is also one of the largest machine tool centers in the world. Furniture, hardware, farm implements, automobile parts, aviation and space instruments and machinery are among the more than 300 types of products made in Rockford.

City of Rockford

The City of Rockford has a mayor-aldermanic form of government that provides citizens with police, fire, building regulation, community development, human services, public library, water, and public works services. Rockford also serves as the seat of Winnebago County. In 2004, the City of Rockford received the Sports Illustrated 50th Anniversary Sportstown Award for Illinois (only one city per state was chosen). This award is presented to the City that provides a variety of sporting events and also encourages residents to play sports. In 2005, Rockford was designated as a winner for the America In Bloom award for the population category 100,001 –300,000. This award represents recognition by a national campaign and contest that promotes enhancing communities through beautification. Known as the "Forest City", Rockford prides itself on its beautiful tree-lined streets and neighborhoods as well as more than 4,900 acres of parkland.

Rockford blends the best of big city living with valuable small town assets. Families enjoy year-round ice skating and fair weather water sports, miles of bike and jogging paths, and some of the most imaginative playgrounds around.

The Arts

The historic Coronado Theatre was restored and opened for a variety of shows, which include plays and concerts. Built in the 1920's, the Coronado has presented top-notch performers on its stage for over seventy years. This project is designed to preserve, rehabilitate, and expand the theatre thereby preserving an important part of the City's history and maintaining it as a major downtown performing arts entertainment venue.

The City is also home to many unique art galleries and museums. The Rockford Art Museum, Storefront Cinema, the Discovery Center, and the Burpee Museum of Natural History are museums located on North Main Street, just north of downtown Rockford. Jane the Nanotyrannus makes her home at the Burpee Museum. Rockford is also home to Midway Village and Museum, the Ethnic Heritage Museum, Tinker Swiss Cottage Museum, Erlander Home Museum, and the Graham-Ginestra House.

Other artistic endeavors in the City include the premiere stage theatre in town, the Rockford Dance Company, Charlotte's Web for the Performing Arts and the Rockford Symphony Orchestra.

Recreation

The Rockford Park District serves a 125 square mile area in Winnebago County including virtually the entire City. The District offers an extensive array of physical facilities and recreational programs. The District has 4,552 acres of parks, playgrounds, and facilities which include: five public golf courses; two indoor ice arenas including a twin-rink ice arena in downtown Rockford; four outdoor swimming/recreation centers; the Magic Waters Theme Park; a children's farm; four local museums; a Trolley station and Museum; an excursion boat; a 14-mile snowmobile trail through adjacent parks; and a greenhouse, garden, lagoon, and arboretum complex on the Rock River. The District operates a regional activity center called the Sportscore which contains eight lighted slow pitch ball diamonds, twenty soccer fields, playgrounds, bike and jogging paths, sand volleyball courts, boat ramp, three concession buildings, restroom facilities, and a parking lot for 800 vehicles. The Sportscore site totals 105 acres of which 50 acres were purchased and donated to the District by a local industrial concern. The Park District also has Sportscore II, which consists of a multi-purpose park on 124.2 acres. This facility has twenty additional soccer fields and a two mile jogging path.

The recreational facilities of the Rockford Park District are supplemented by those of the Winnebago County Forest Preserve District and the State of Illinois through its State Parks. The Forest Preserve District has 5,388 acres in 31 forest preserves ranging in size from 2 to 948 acres. In addition to campgrounds, picnic areas, shelter houses, conservation areas, and the fishing areas on spring fed lakes, the Forest Preserve District has three 18-hole golf courses.

Festivals

The Rockford area offers many wonderful annual festivals throughout the year that feature art, music, dance, cultural heritage, and of course food. Here is a list of just a few of these annual events:

St. Patrick's Day Celebration: On or about March 17th in Downtown Rockford. Parade followed by a party featuring traditional music, dance, and food.

Ethnic Music Festival: First Sunday in June at the Ethnic Heritage Museum, 1129 S. Main Street in Rockford. Song, dance, and food by ethnic groups which originally settled Rockford.

Juneteenth: June 19 at the Sinnissippi Park Music Shell in Rockford. Celebrate African-American Independence Day with music, entertainment, talent show, art exhibit, food, and more.

Midsommer Fest: On or about the summer solstice in mid-June at Erlander Home Museum in Rockford. Traditional Swedish celebration of the longest day of summer.

Fourth of July Fireworks: A Rockford favorite as downtown is illuminated with fireworks to celebrate our nation's independence.

Celtic Fest: Enjoy the thrill of being Irish, Scottish, or Welsh at the annual Celtic Fest. The Fest features two stages with continuous music, dancing, a re-enactment village, ethnic food and drink bagpiping, and other fun activities.

Festa Italiana: Weekend celebration the first weekend in August at Boylan High School in Rockford. Celebration of Rockford's Italian heritage with food, rides, games, music, dancing, and cultural displays.

Polish Fest: Third Sunday in August at St. Stanislaus Church in Rockford. Celebration of region's Polish heritage with food, music, crafts, dancing, cultural exhibits, and rides.

Booker Fest: Second or third weekend in August. Gospel and folk music, food, fun, and children's activities at the Booker Washington Community Center in Rockford.

Climate

The climate in Rockford is typical for the upper Midwest. Rockford has four distinct seasons, each of which brings special pleasures. Average temperatures range from January's average high of 26.6 degrees and low of 9.8 degrees Fahrenheit, to July's average high of 83.8 degrees and average low of 62.5 degrees Fahrenheit. Average precipitation for the year is 36.28 inches with June having the highest average of 4.52 inches. As for snowfall, on average the City receives approximately 36.5 inches of snow each year with December being the highest average snow month with 9.8 inches. Since 1951 the highest temperature recorded was 105 degree Fahrenheit on July 7, 2012 while the lowest temperature recorded was minus 27 degrees Fahrenheit on January 31, 1989.

FACTS AND STATISTICS

- Land Area 61.08 Square Miles

- Population

1970	147,370
1980	139,712
1990	139,426
1998	143,656
2000	150,115
2010	152,871

- Population Density 2,502.2 per Square Mile

- Household Characteristics (2010)

Total Households	59,973
Persons Per Household	2.48
One-Person Household	31.9%

- Household Income (2010)

Median Household Income	$38,573
Total Households	59,827
Under $10,000	11.38%
$10,000 - $29,999	21.40%
$30,000 - $49,999	28.96%
$50,000 - $74,999	16.99%
$75,000 - $99,999	9.31%
$100,000 - $149,999	8.06%
$150,000 and over	3.90%

- Housing Median Purchase Price

Year	Rockford	Illinois
2005	$118,200	$202,000
2006	$119,600	$203,900
2007	$119,200	$201,250
2008	$115,500	$183,900
2009	$103,750	$157,000
2010	$104,000	$151,500
2011	$ 85,000	$137,500
2012	$ 83,900	$139,000
2013	$ 93,645	$149,000
2014	$100,610	$167,900

- Educational Attainment (2010)
  (25+ Years of Age)

Less than 9th Grade	6.00%
9th to 12th Grade	11.70%
High School Graduate	34.60%
Some College, No Degree	20.60%
Associate's Degree	7.10%
Bachelor's Degree	12.40%
Graduate or Professional Degree	7.70%

- Labor Force by Occupation (2010)

Management/Professional	28.12%
Sales/Office Occupations	25.27%
Production/Transportation	20.97%
Service Occupations	19.14%
Construction/Natural Resources/Maint.	6.50%

- Labor Force by Industry (2010)

Education/Health Care	23.64%
Manufacturing	20.41%
Services	18.03%
Wholesale/Retail Trade	13.06%
Transportation/Communication/Utilities	5.61%
Finance/Insurance/Real Estate	5.13%
Other Services	4.66%
Construction	4.51%
Government	2.69%
Information	2.05%
Agriculture & Related	0.21%

- Unemployment Rates (Annual Average)

Year	City of Rockford	Winnebago County	State of Illinois
2005	8.1%	6.4%	5.7%
2006	6.0%	5.3%	4.5%
2007	7.0%	6.2%	5.0%
2008	10.1%	8.9%	6.5%
2009	16.4%	15.0%	10.1%
2010	16.6%	15.2%	10.3%
2011	14.4%	12.7%	9.8%
2012	12.9%	11.4%	8.9%
2013	13.1%	11.6%	9.2%
2014	9.4%	8.2%	6.4%
2015	8.3%	7.1%	5.9%

- Major Private Employees (Approximate)

Swedish American Health Systems	2,600
Rockford Health Systems	2,500
Hamilton Sundstrand Corporation	2,000
OSF St. Anthony Medical Center	2,000
United Parcel Service	2,000
Harris Bank	1,600
Greenlee Textron	1,000

FACTS AND STATISTICS continued

- Quality of Life

  Rockford Park District

Number of Parks	176
Public Golf Courses	5
Public Swimming Pools	3
Ice Skating Rinks	2
Sportscore Complex facilities	2
Magic Waters Theme Park	
BMX Bicycle Race Course	

  Rockford YMCA, Rockford YWCA

  Professional Sports Teams

  Rockford Raptors Soccer Team

  Rockford IceHogs Hockey Team

  Rockford Rivets Baseball Team

- City of Rockford Tax Rate/$100 EAV

Year	Rate	City % of Total
2003	$2.4519	22.7%
2004	$2.5529	23.5%
2005	$2.5772	23.9%
2006	$2.5683	24.5%
2007	$2.5172	24.5%
2008	$2.5318	24.2%
2009	$2.5606	24.1%
2010	$2.7159	24.0%
2011	$2.9051	23.8%
2012	$3.2600	25.3%
2013	$3.5535	25.4%
2014	$3.7973	25.3%
2015	$3.8791	25.4%

BUDGET GLOSSARY

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget Document in understanding these terms, a budget glossary has been included in this document.

Abatement: A complete or partial cancellation of a tax levy imposed by a government.

Accountability: The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry-to justify the raising of public resources and the purpose for which they are used.

Accrual Accounting: A basis of accounting in which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent.

Adjustment For Accounting Interpretations: The budget's property tax levy is received in the year after the budget. In order to adjust for Accounting Interpretation whereby the prior year's levy is utilized, an adjustment for accounting interpretation is used to adjust fund balances.

Adjustment Of Balance To Revenue For Encumbrances: This adjustment is used in the General Fund to account for encumbrances that have been reappropriated. In order to eliminate the appearance of deficit budgeting, a revenue transfer amount entitled "application of restricted fund balance for encumbrances" is budgeted and is then offset by the adjustment of balance to revenue for encumbrances.

Adjustment for Non-Recurring Transfers: This adjustment is used in the General Fund to account for the Administrative Department's appropriation of the prior year's year-end excess cash. This allows General Fund expenditures to reflect operating expense only and eliminates the appearance of deficit budgeting.

AFSCME: Association of Federal, State, County, and Municipal Employees.

Alternate Bonds: General obligation bonds that, rather than being repaid by city-wide property taxes, are retired by specifically pledged revenue streams, i.e., sales taxes, water revenues, etc.

Amortization: Gradual reduction, redemption or liquidation of the balance of an account according to a specified schedule of times and amounts. Also, provision for the extinguishment of a debt by means of a Debt Service Fund.

Appraise: To estimate the value, particularly the value of property. If the property is valued for taxation, the narrower term "assess" is substituted.

Appropriation: An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

Appropriation Ordinance: The official enactment by the legislative body establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

Assessed Valuation: A valuation set upon real estate by the Township Assessor and Supervisor of Assessments as a basis for levying taxes.

Assets: Property owned by a government that has a monetary value.

Auditing Fund: A non-operating budgetary unit to provide and pay for auditing services.

Balanced Budget: A budget for which expenditures are equal to income.

Bond: A written promise to pay (debt) a specified sum of money (principal) at a specified future date (maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt. When a government pledges its full faith and credit to the repayment of the bonds it issues, then these are known as general obligation bonds. Bonds whose principal and interest are payable exclusively from the earnings of an Enterprise Fund are known as revenue bonds. Bonds whose principal and interest are payable exclusively from citywide property taxes are known as general obligation bonds.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Used without qualification, the term usually indicates a financial plan for a single fiscal year.

Budget Calendar: The schedule of key dates or milestones that the City departments follow in the preparation, adoption, and administration of the budget.

Budget Document: The official written statement prepared by the budget office and supporting staff that presents the proposed budget to the legislative body.

Budgetary Control: The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitation of available appropriations and available revenues.

Capital Improvement Program: Plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying its expected beginning and ending date, the amount to be expended in each year, and the method of financing those expenditures.

Capital Equipment: Expenditures for the acquisition of capital assets, i.e., vehicles, operating equipment, office equipment.

Capital Expenditure: Refers to any major project requiring the expenditure of public funds (over and above operating expenditures) for the construction, reconstruction or replacement of physical assets in the community. The City's general rule requires that long-term assets have at least a 2 year useful life and cost $5,000 or more.

Capital Projects: Projects involving the purchase or construction of capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

Cash Accounting: A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services.

Cash Management: The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

CDBG: Acronym for "Community Development Block Grant".

Contingency Account: An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as emergencies, federal mandates, shortfalls in revenue, and similar eventualities.

Cost Center: The smallest unit of budgetary accountability and control that encompasses specific and distinguishable lines of work performed by an organizational unit for the purpose of accomplishing a function for which the City is responsible.

CPI: Consumer price index. Measures the rate of inflation over time.

Debt: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, and notes.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

Debt Service Funds: A fund established to account for the accumulation of resources for, and the payment of, bonds and general long-term debt principal and interest according to a predetermined schedule.

Deficit: The excess of expenditures over revenues during an accounting period; or, in the case of Enterprise and Intergovernmental Service Funds, the excess of expense over income during an accounting period.

Depreciation: The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Eliminations: When funds are consolidated, transactions between funds are eliminated in order to eliminate double accounting.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for future expenditures.

Enterprise Fund: A fund established to account for operations which are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges, i.e., water utility, parking system.

Equalized Assessed Valuation: Board of Review, on a county basis, reviews assessed valuation of all townships and may assign multipliers to equalize assessed valuations from township to township. If necessary, the State will then assign multipliers for counties in order that all property will be assessed at 33-1/3% of market value.

Executive Summary: The opening section of the budget provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Mayor.

Expenditure: This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended.

Fiscal Year: A twelve month period that the annual operating budget applies at the end of which a determination of financial position and results of operations is carried out by the government.

Fixed Assets: Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Full Faith and Credit: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

Full-Time Equivalent Position (FTE): A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a Head Start bus driver working for nine months, or 1,560 hours, would be equivalent to 0.75 of a full-time position.

Fund: A budgetary and accounting entity that is segregated from other funds for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: The fund equity of governmental funds and trust funds (excess of assets over liabilities).

Fund Type: In governmental accounting, all funds are classified into eight generic fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

GAAP: Generally accepted accounting principles. Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board.

General Fund: The General Fund is the general operating fund of the City. It is used to account for all activities of a government except those required to be accounted for in another fund.

General Obligation Bond: Bonds which the full faith and credit of the issuing government or agency to be used or expended for a specified purpose or activity.

Grant: A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

Health Insurance Fund: A non-operating budgetary unit utilized for internal purposes only. Financed by employer and partial employee paid premiums for health insurance benefits for employees, retirees, and outside participants.

IAFF: International Association of Fire Fighters.

IMRF Pension Fund: The Illinois Municipal Retirement Fund provides retirement benefits for all retired non-sworn City employees and their beneficiaries.

Intergovernmental Revenues: Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost reimbursement basis.

Investment: Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals, or base payments.

Levy: (verb) To impose taxes, special assessments, or service charges for the support of government activities. (noun) The total amount of taxes, special assessments, or service charges imposed by a government.

Line-Item Budget: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Long-Term Debt: Debt with a maturity of more than one year after the date of issuance.

MFT: Motor fuel tax.

Mission Statement: A brief description of functions and objectives rendered by an organization for the community it serves.

Modified Accrual Accounting: A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are received or are "measurable" and available for "expenditure". Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

Municipal: In its broadest sense, an adjective denoting the state and all subordinate units of government. In a more restricted sense, an adjective denoting a city or village as opposed to other local governments.

Obligations: Amounts that a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

Operating Budget: The authorized revenues and expenditures for on-going municipal services and is the primary means by which government are controlled. The life span of an operating budget typically is one year or less. Law usually requires the use of annual operating budgets.

Ordinance: A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as state statute, it has the full force and effect of the law within the boundaries of the municipality to which it applies.

OTB Special Projects Fund: A non-operating budgetary unit used to collect off-track betting revenues to be used for special projects determined by the Mayor and Council.

PB & PA: Policeman's Benevolent and Protective Association.

Pension Trust Fund: A trust fund used to account for public employee retirement systems.

Performance Budget: A budget that focuses upon activities rather than line items. Work load and unit cost data are collected in order to assess the efficiency of services. Typical data collected might include miles of streets paved per year, cost of paved streets per mile, tons of garbage collected per man hour, or cost per man hour of garbage collection.

Performance Measures: Specific quantitative and qualitative measures of work performed as an objective in the department.

Performance Standard (Cost Center Standard): The measurement of work units performed by a cost center and development of cost per work unit numbers for management purposes.

Property Tax: Property taxes are levied on real property according to the property's valuation and the tax rate.

Rating: The credit worthiness of a city as evaluated by independent agencies.

Requisition: A written demand or request, usually from one department, to the purchasing office or to another department for specific articles or services.

Reserve: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Revenue: Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

Revenue Bonds: Bonds usually sold for constructing a project that will produce revenue for the government. The revenue is used to pay the principal and interest of the bond.

Risk Management: An organized attempt to protect a government's assets against accidental loss in the most economical method.

Securities: Bonds, notes, mortgages, or other forms of negotiable or nonnegotiable instruments.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Surplus: An excess of the assets of a fund over its liabilities and reserves.

Tax Anticipation Notes: Notes issued in anticipation of collection of taxes and retired from the proceeds of the tax levy whose collection they anticipate.

Tax Increment Financing District: Areas of the City (as defined by State law) in need of development/redevelopment improvements that use a portion of property taxes collected in this area to make public improvements.

Tax Levy: The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

Tax Rate: The amount of tax levied for each $100 of equalized assessed valuation. The tax rate times equalized assessed valuation equals the tax levy.

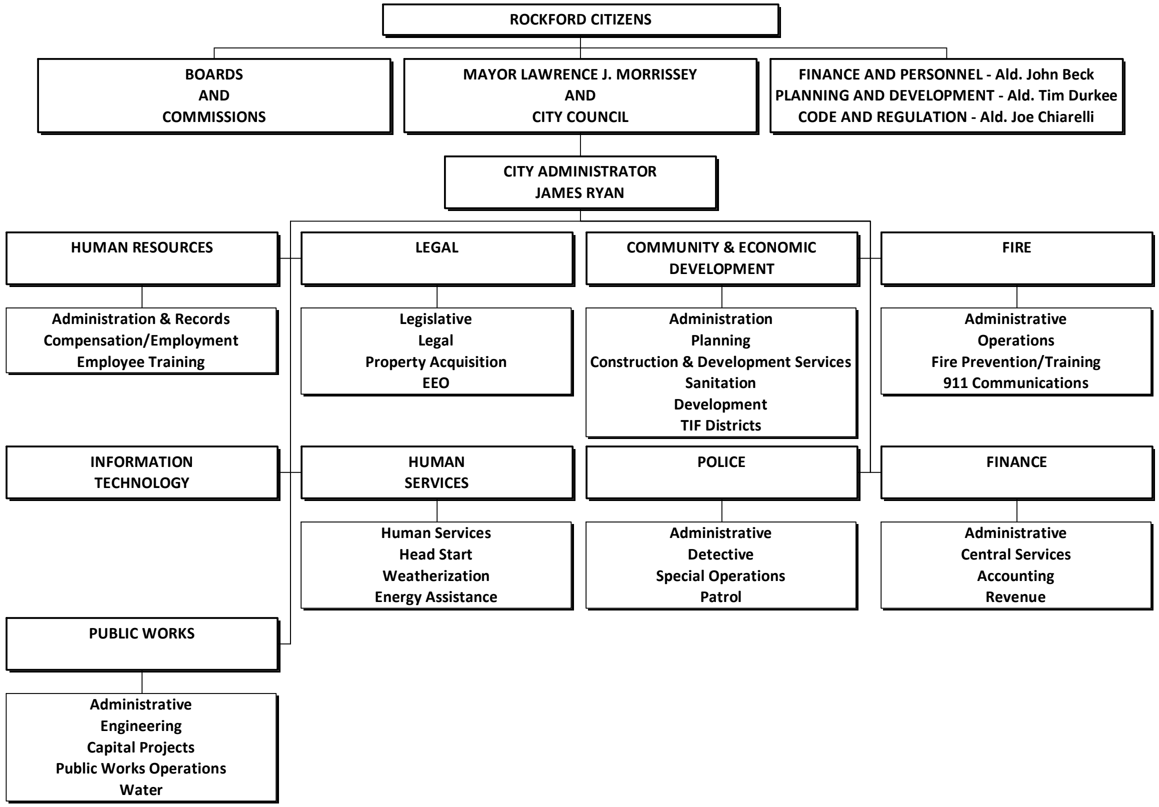
Transfers In/Out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Unemployment Tax Fund: A non-operating budgetary unit used to account for all unemployment expenditures for former employees.

User Charges: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Worker's Compensation Fund: A non-operating budgetary unit used to account for all worker's compensation expenditures.

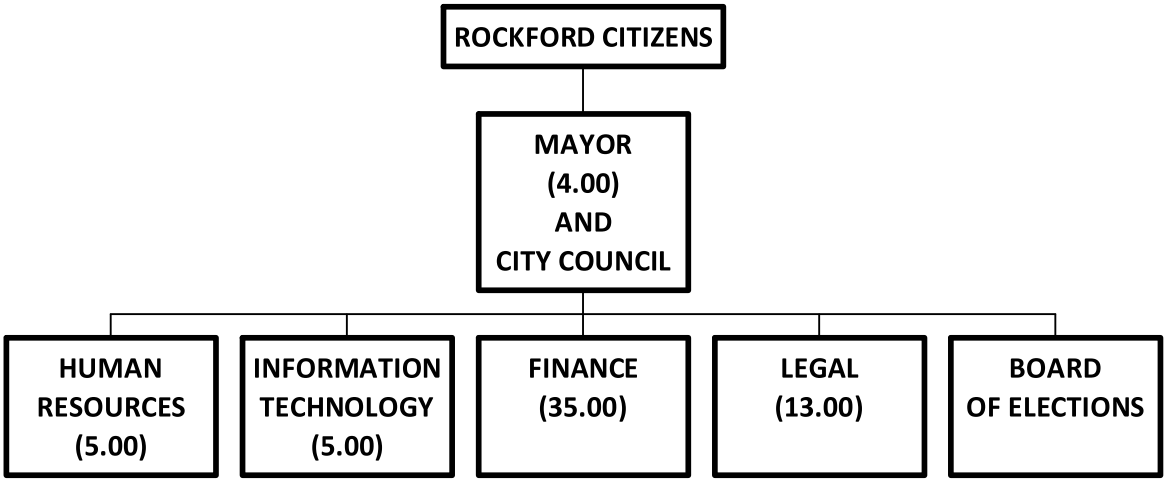
CITY OF ROCKFORD, ILLINOIS ORGANIZATION CHART



Board of Election Commission
Building Board of Appeals
Community Action Program Board
Community Development Citizens Participation Committee
Electrical Commissions
Fire and Police Commission
911 Communication Board

Greater Rockford Airport Authority
Historical Preservation Commission
Homestead Board
Liquor Commission
Mechanical Board
Metro Authority
Personnel Appeals Board

Rockford Housing Authority
Rockford Library Board
Rockford Local Development Corporation
Rockford Mass Transit District
Traffic Commission
Zoning Board of Appeals
Fair Housing Board

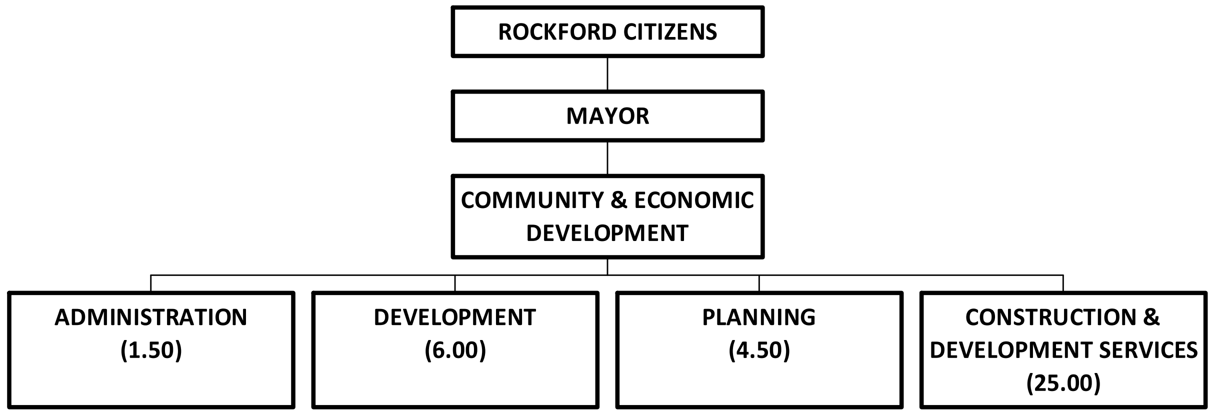


Administration &
Records
Compensation &
Benefits

Administration
Central Services
Accounting
Revenue/Pension
& Investments

Administrative
Legislative
Legal Services
Property Acquisition
EEO

63.00 EMPLOYEES



CDBG
Administration
Economic
Development
Neighborhood
Services
Home Program

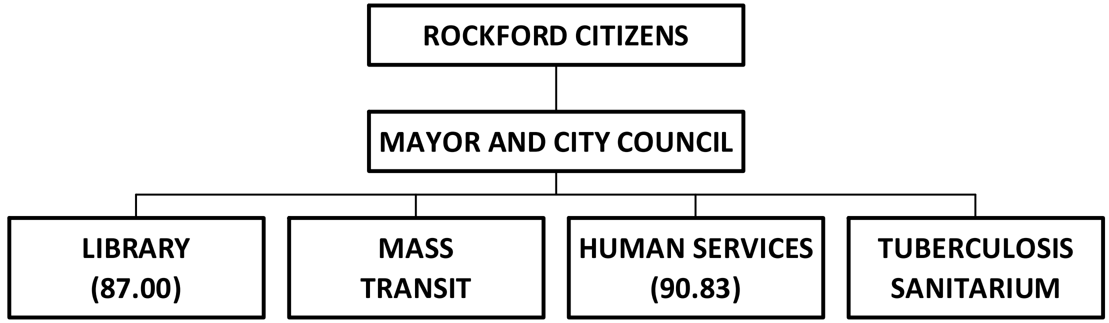
Planning & Research
Economic
Development
Brownfield
Redevelopment

Land Use Planning
Building Inspection
Property Standards
Code Enforcement

Redevelopment
Tourism Promotion
Sanitation

Retail TIF Districts
Industrial TIF Districts
Residential TIF Districts

37.00 EMPLOYEES



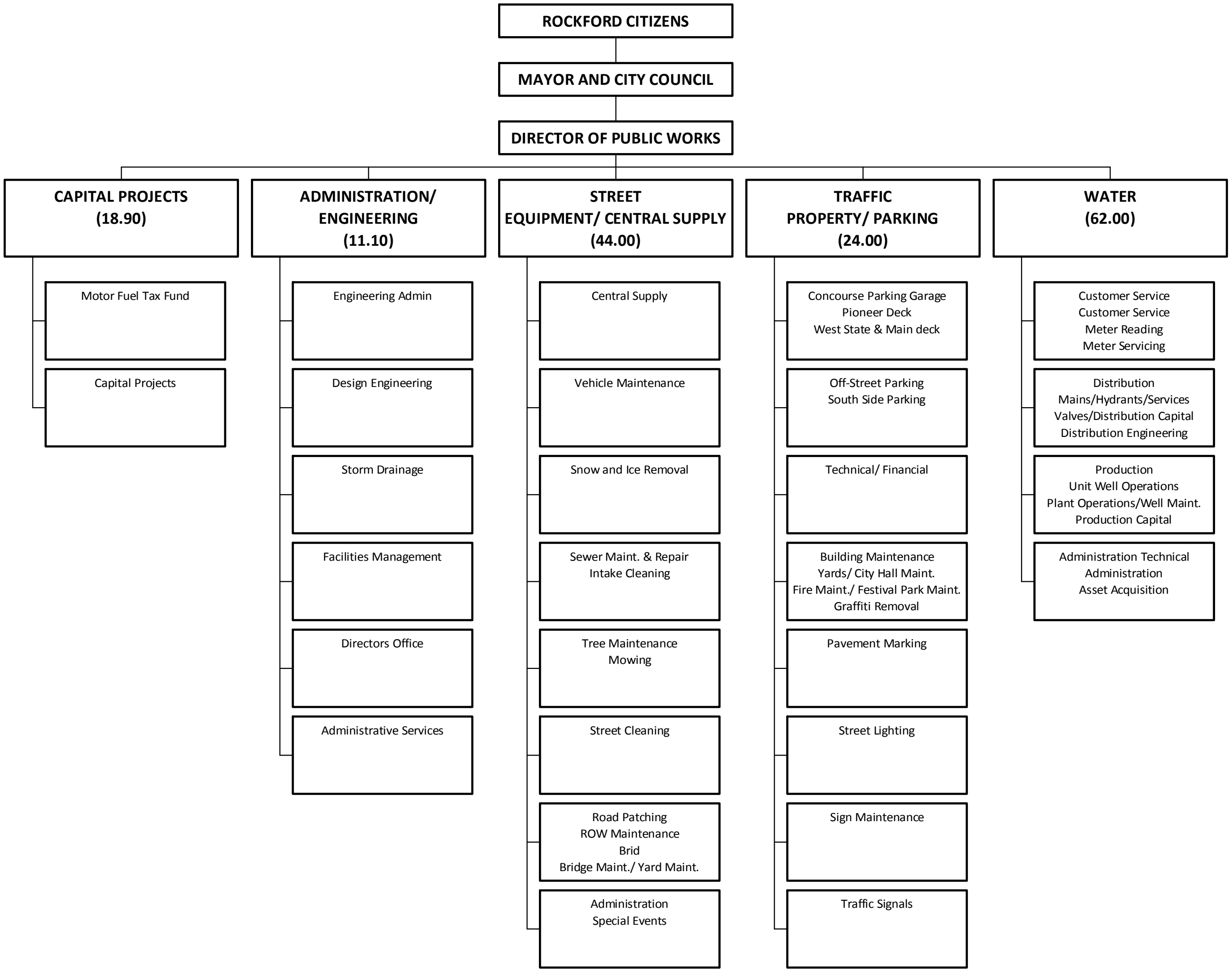
Administration
Adult Services
Youth Services
Extension Service
Circulation
Technical Processing
Building/Grounds Maintenance

Headstart
Weatherization/Energy
Assistance
Community Services

177.83 EMPLOYEES

- **ROCKFORD CITIZENS**
  - **MAYOR AND CITY COUNCIL**
    - **POLICE CHIEF**
      - **POLICE DEPARTMENT (323.00)**
        - **ADMIN SERVICES (64.00)**
          - Accreditation Section
          - Evidence and Property Unit
          - Fiscal Services Section
          - Information Services Section
          - Payroll Section
          - Records Center Division
          - Crime Analyst
          - Training and Personnel Unit
        - **FIELD/ PATROL SERVICES (205.00)**
          - Patrol
          - Special Operations Division
          - M 3 Team
          - School Liaison Unit
          - Support Services Unit
          - Traffic Unit
        - **INVESTIGATIVE SERVICES (54.00)**
          - Burglary Unit
          - Domestic Violence Unit
          - Gang Unit
          - General Case Unit
          - Identification Unit
          - Rockford Narcotics Unit
          - Violent Crimes Unit
          - Youth/ Sex Crimes Unit
    - **BOARD OF FIRE AND POLICE COMMISSIONERS**
    - **FIRE CHIEF**
      - **FIRE DEPARTMENT (258.00)**
        - **OPERATIONS (231.00)**
          - Fire Stations 1-11
          - Ambulance Services
          - Emergency Vehicle Repair
          - Disaster Services
        - **ADMINISTRATION (16.50)**
        - **FIRE PREVENTION/ TRAINING (10.50)**
          - Inspections/ Code Enforcement
          - Public Education
          - Arson Investigation
          - Training
      - **911 COMMUNICATIONS (53.00)**

634.00 EMPLOYEES



160.00 EMPLOYEES

NON-OPERATING FUNDS

POLICE PENSION

FIRE PENSION

ILLINOIS MUNICIPAL RETIREMENT FUND

HEALTH INSURANCE FUND

UNEMPLOYMENT FUND

WORKER'S COMPENSATION FUND

AUDITING

DEBT SERVICE FUND

OTB SPECIAL PROJECTS FUND

RISK MANAGEMENT FUND

RMAP FUND

WORKFORCE INVESTMENT BOARD

CAPITAL REPLACEMENT FUND

2016 ROCKFORD BUDGET
GRAPH AND TABLE INDEX