



Budget Report to Mayor & City Council

DATE: October 29, 2024
To: Mayor & City Council Members
FROM: Jeffrey A. Fiegenschuh, City Manager, MPA, ICMA-CM,
RE: FY 2025 City and Utilities Budgets

It is my pleasure to submit to you the Operating and Capital Improvement Budgets for the City of Rochelle and Rochelle Municipal Utilities for the Calendar Year (CY) beginning January 1, 2025. The numbers reflected in this document are part of the PowerPoint presentation for the November 4, budget workshop. The entire City of Rochelle proposed CY 25 budget is \$132,648,472.

Proposed General Fund Revenues for FY 25 are estimated to be \$14,864,471. Expenditures for the new fiscal year total approximately \$15,372,877. Staff is recommending the use of general fund reserves to cover onetime expenses of approximately \$508,000. These projects include work within city hall, the downtown project, and road projects. Based on this information, our team estimates the general fund cash balance will decrease to \$10,166,837. Projects funded by transfers from the Non-Home Rule Sales Tax, Utility Tax and Motor Fuel Tax are included in the Capital Improvement Fund and are not part of the general fund balance.

The Utilities (Electric, Water, Water Reclamation, Advanced Communications & Technology Center, Railroad, Landfill, Golf Course and Airport) proposed budgeted expenses are \$90,956,452 of which \$35,010,378 is for capital outlays & \$26,779,746 for power purchases. All other Funds, including Special, Downstate Police and Fire Pensions, Internal Service and CIP total \$26,319,143.

In preparing this budget document, our team worked to ensure it is informative and easy to understand. This Executive Summary and an electronic version of the Budget Presentation will be available to the public on the city's website and Facebook page.

Staff believes the FY 25 budget represents the City of Rochelle's ongoing mission to provide a safe, connected, and innovative community with professional, personalized, and impartial services. The spending, specifically all capital expenditures, falls in line with the 2022 strategic planning document that has been adopted by the full City Council. Our team worked to ensure that all spending can be tied back to the 6 core areas approved by the City Council.

STRATEGIC PLAN GOALS

- Economic & Business Development
- Financial & Management Stability
- Quality of Life
- Community Inclusiveness & Engagement
- Infrastructure Effectiveness & Improvement
- Core Service Delivery

It remains the intention of staff that this budget reflects the priorities of our elected officials. The key priorities that have guided efforts in developing the budget include the following:

- Revenues have been estimated at realistic and conservative levels based on estimates due to inflationary pressures and other increased costs.
- Basic services are financed at appropriate levels, with an emphasis on fully staffing the PD hiring 3 full-time FF/Paramedics and creating the rank of Captain within the Fire/EMS department.
- If staffing positions become vacant due to retirements or resignations the positions will be refilled within PD, Fire, PW, Utilities and IT. All other positions will be reexamined on a case-by-case basis.
- Investment in infrastructure continues to be a priority. This includes projects funded with utility rates, the non-home rule sales tax, utility taxes, motor fuel taxes, rail revenues, transfers from the landfill fund and the general fund cash balance.
- Incentives to expand the local tax base to encourage growth include a property tax rebate program for new and redeveloped housing and the waiver of building permits for small businesses. Other incentives include the Lee/Ogle Enterprise Zone, the city's four TIF districts, the opportunity zone, foreign trade zone #176, the downtown historic district & the façade improvement program. A continuation to improve the city's overall appearance is being supported through renewed investments in all major corridors of the community. This includes promotion of the four TIF districts, continued infrastructure improvements including drainage improvements and beautification efforts. The city has a renewed interest in investment on and near Highway 251 South of the overpass. The redevelopment of the Hickory Grove property continues to be a top priority in 2024.
- Continued investments in the city's utility infrastructure including funding for the completion of major electric distribution upgrades, completing upgrades at the diesel generation plant, phase two of upgrades at the WWTP, a new iron removal plant at well #8, lining within the sanitary sewer system and other equipment upgrades. These projects are being funded through Alternate Revenue Bonds (electric), utility rates and several grants, including EDA and CDBG and the State Revolving Loan/Debt forgiveness program.
- The EAV in all the three older TIF districts continues to increase with the most significant increases coming in the downtown TIF.

- The budget includes funding for a new roof at the RMU location on south 7th Street and building improvements at city hall and the police department.

The city continues to address fiscal pressures presented by the following issues:

- Initiatives by the legislature to prematurely close the Prairie State generating plant. This could have long-term negative impacts on utility rates.
- Increasing inflationary pressures and borrowing costs. Possibility of economic recession.
- Continued regulations forcing further upgrades to Water and Water Reclamation treatment facilities.
- Airport revenues continue to lag operational and capital expenses.
- Continued challenges with the recruitment of qualified public safety personnel.
- Possible funding cuts in Local Government Distributive Fund (LGDF) and actual funding reductions through the loss of the grocery tax.
- Potential for significant revenue increase through a new rail transload center.

CITY OF ROCHELLE SIGNIFICANT FUNDS

The General Fund

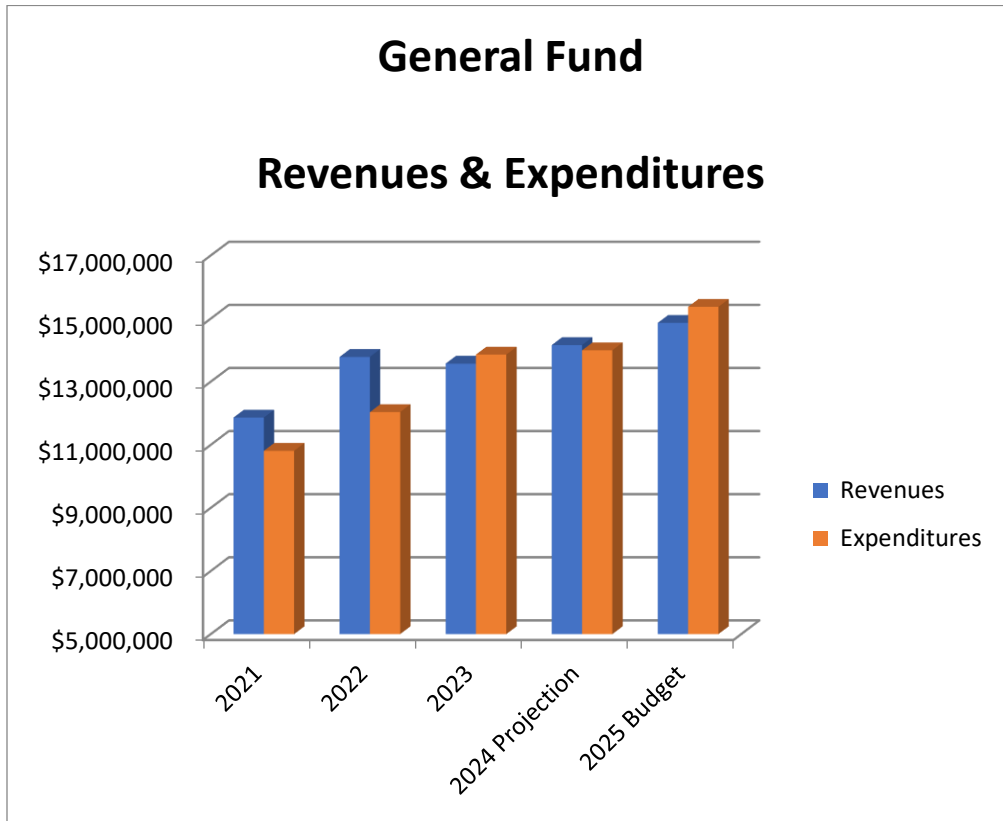
The General Fund budget supports many of the day-to-day activities of the city. The Departments housed within this Fund include Public Works, Cemetery, Engineering, Police, Fire, City Hall, Economic Development, and Community Development.

The total General Fund Budget for the new calendar year contains \$15,372,877 in expenditures. These allocations reflect our commitment to provide core services to our community and were developed using the best available information and most current revenue projections. The Budget for the new calendar year includes an overall increase in expenditures of approximately \$1,377,901 from the FY 2024 final 12 month estimated expenditures.

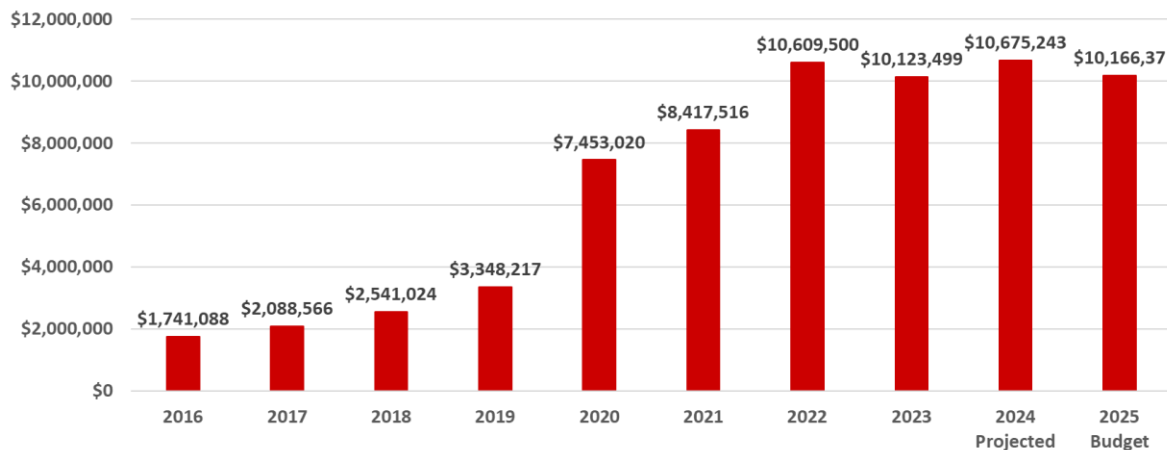
The increase is due to additional staff in public safety and public works (doing more work internally) and increased investment in capital expenditures. The general fund budget reflects average wage increases of 3% for nonunion employees to match up with the 2024 approved compensation study.

The major revenue sources of the General Fund include sales tax, property taxes, LGDF revenue sharing, video gaming fees, charges for services, licenses, and transfers-in from other funds (enterprise funds). Other revenues generated that are allocated for capital improvement costs include the non-home rule sales tax, utility taxes and the state motor fuel tax. The city continues to transfer all gaming revenues to the police and fire pension funds along with \$200,000 of all EMS revenues back to the ambulance fund to pay for equipment upgrades.

GENERAL FUND REVENUES & EXPENSES

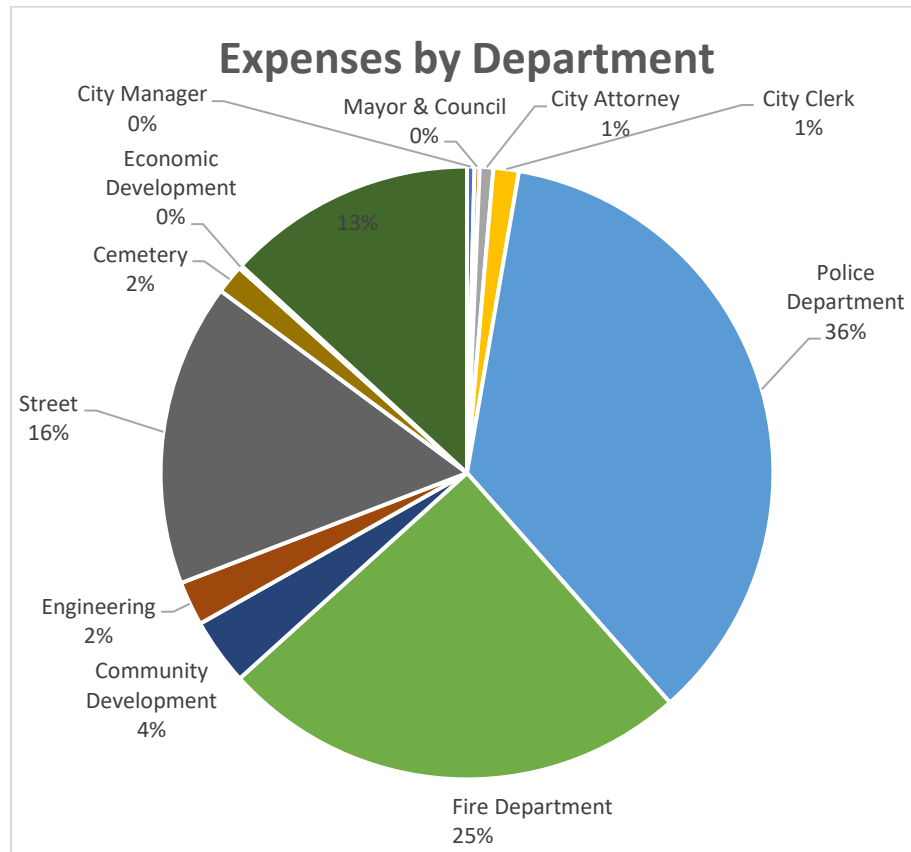


General Fund Cash



Staff is projecting a General Fund Balance of approximately \$10,166,837 at the conclusion of the new fiscal year. This represents a decrease of approximately \$508,000 from the current year end projections. The cash reserve policy approved by the city council requires 15-40% of the General Fund Budget be available in cash at any time. The City's total cash on hand exceeds the minimum cash policy required amounts by approximately \$4.0 million. Lastly, all outstanding long-term debt held by the city is obligated to the TIF and Enterprise Funds. The only general fund debt is Alternate Revenue Bonds that will be retired in 2026 and General Obligation Bonds for the community hanger than expire 2027.

GENERAL FUND EXPENSES BY DEPARTMENT

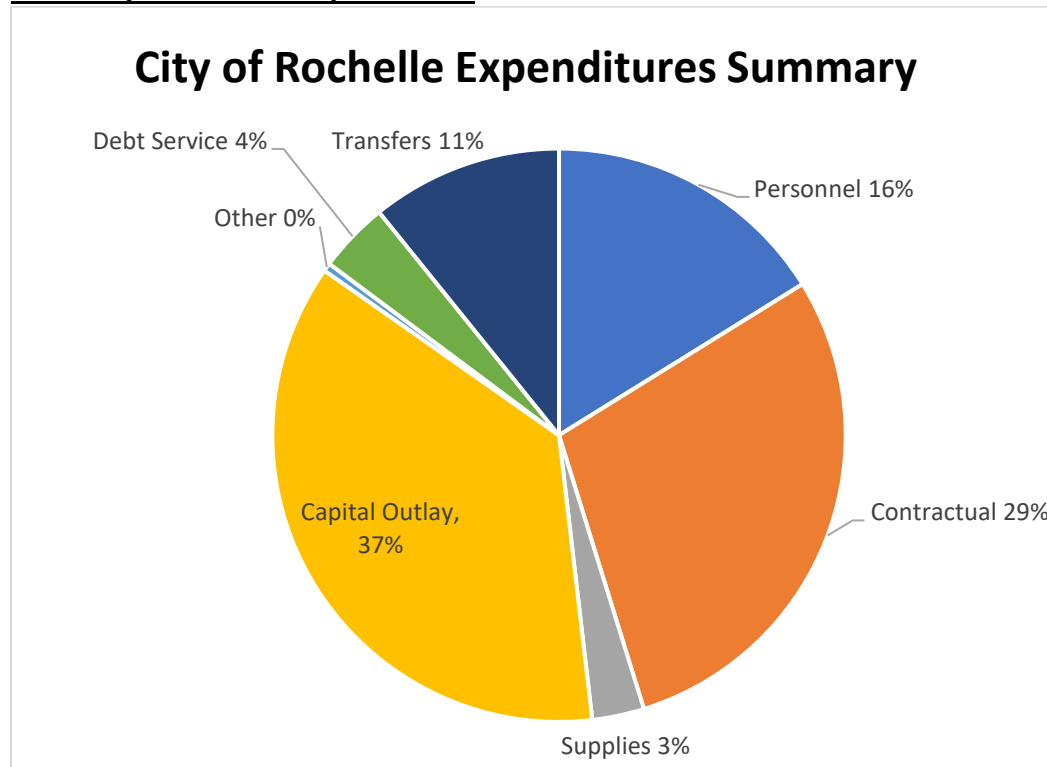


Mayor & Council	0%		\$ 60,250
City Manager	0%		\$ 41,750
City Attorney	1%		\$ 110,000
City Clerk	1%		\$ 206,040
Police Department	36%		\$ 5,497,419
Fire Department	25%		\$ 3,815,498
Community Development	4%		\$ 541,174
Engineering	2%		\$ 358,740
Street	16%		\$ 2,456,929
Cemetery	2%		\$ 234,200
Economic Development	0%		\$ 26,800
Municipal Building	13%		\$ 2,024,077
			\$ 15,372,877

The major expenses for the General Fund include Public Safety, Public Works, Cemetery, Community Development, City Hall, and Engineering. Within each department, the major expenses include Personnel Services (salaries and benefits), Contractual Services, Supplies and Capital Outlay.

Typically, in local government most of the expenses are related to Personnel costs. Staff is pleased that our community is within the industry norm of personnel costs as it relates to the entire budget. Our goal is to stay at or below 70%. This year, personnel costs are approximately 16% when factoring in power purchase costs and capital investments.

Total City of Rochelle Expenditures



Personnel	16%	\$ 21,439,038
Contractual	29%	\$ 38,535,758
Supplies	3%	\$ 3,892,228
Capital Outlay	37%	\$ 48,542,937
Other	0%	\$ 615,200
Debt Service	4%	\$ 5,296,018
Transfers	11%	\$ 14,327,293
		\$ 132,648,472

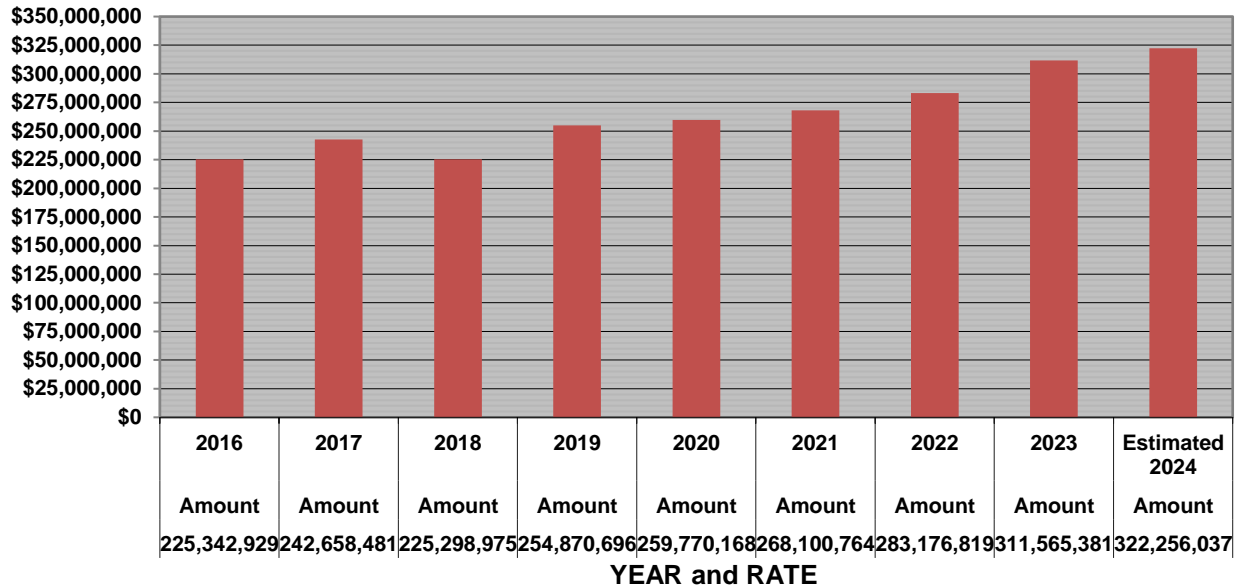
MAJOR REVENUE SOURCES OF THE GENERAL FUND

City Property Tax Rate

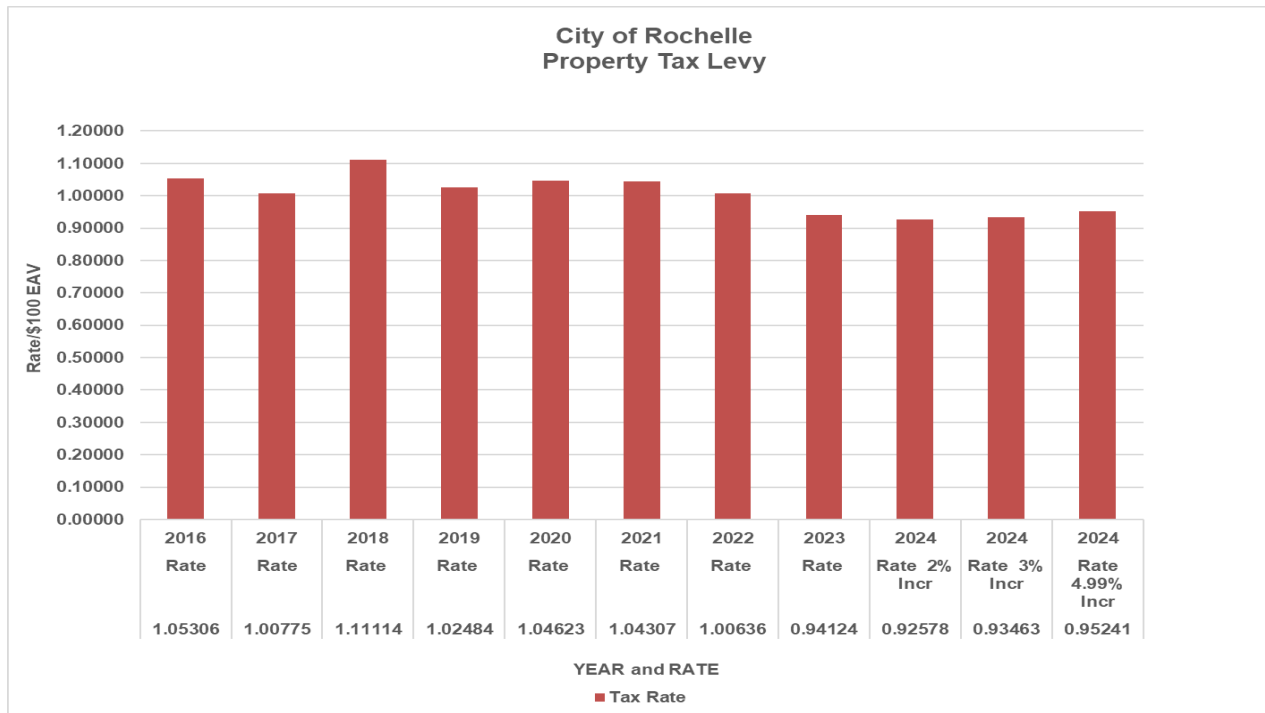
The final budget is based on a Property Tax Request of \$3,011,895, which equates to a rate of \$0.934628 per \$100 of assessed valuation. This is an increase of \$76,317 over the previous fiscal

year, but due to increased EAV estimates, the actual rate will decrease by \$.006. The overall amount allocated to the General Fund is decreasing approximately \$122,000 or 14% from the previous fiscal year. This is due to increases in police and fire pension funding and other administrative funds such as IMRF and the audit. The City Council and staff have done an excellent job of controlling the growth of the city's overall Property Tax rate. Since 2016, the rate has remained below \$1.05. Below are several charts highlighting the city's Equalized Assessed Value and Tax Levy request.

City of Rochelle EAV



City of Rochelle Property Tax Levy



For homeowners in the City of Rochelle, the city's total Property Tax requests accounts for less than 13% of their overall consolidated county-wide Property Tax bill. Below are three examples of what a typical homeowner will pay in city Property Tax levied in 2024 and paid in 2025 based on the estimated EAV and Levy amount approved by the city council. As you can see, a 3% increase in the city's tax request equates to the average homeowner's bill decreasing between \$2-\$4 in the new year. Our overall tax rate continues to remain relatively flat due to increased residential property values and additional industrial and commercial growth coming out of the enterprise zone.

Residential Taxpayer

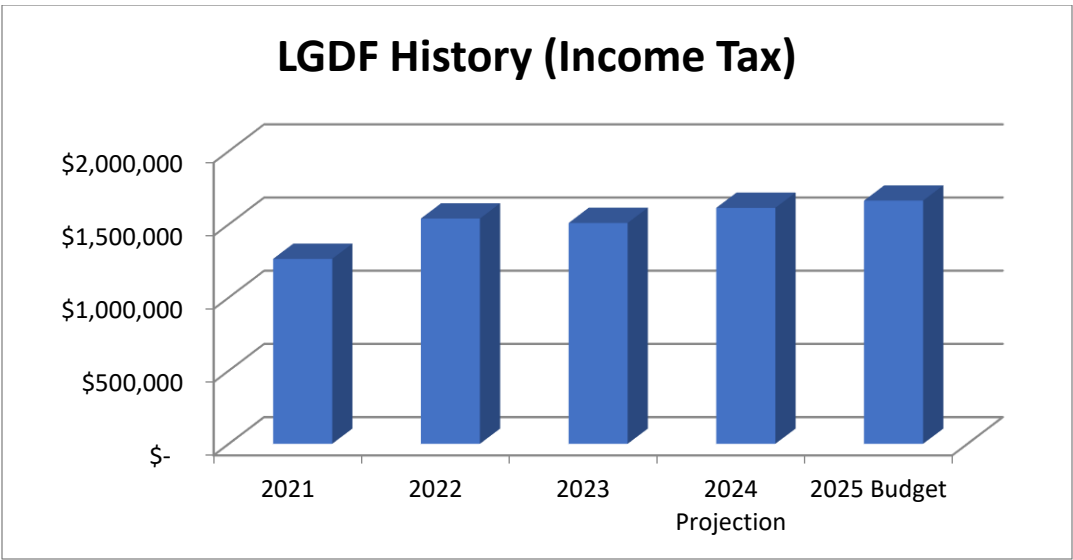
Tax Levy Impact

			2% incr	3% incr	4.99% incr
		2023	2023 Rate	2023 Rate	2023 Rate
<u>Market Value</u>	<u>EAV</u>	<u>0.941240</u>	<u>0.925784</u>	<u>0.934628</u>	<u>0.952409</u>
\$100,000	\$33,333	\$313.75	\$308.59	\$311.54	\$317.47
\$150,000	\$50,000	\$470.62	\$462.89	\$467.31	\$476.20
\$200,000	\$66,667	\$627.49	\$617.19	\$623.09	\$634.94

Local Government Distributive Fund

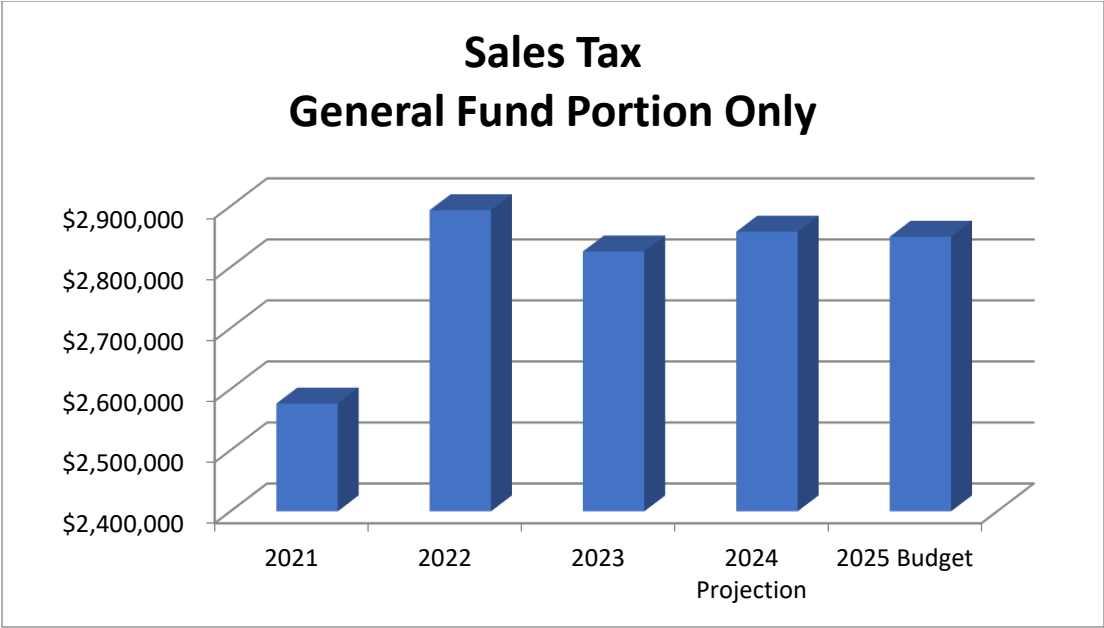
The national economy continues to show signs of some larger scale issues. However, due to increases in state income tax collections, staff feels confident the local government distributive fund (LGDF) revenues will remain strong and increase in 2025. LGDF revenues are one of the major revenue sources the city relies on for general fund expenditures and is typically a good indicator of the state and national economy. In 2016, the state decreased LGDF funds by 10% to local governments. In the 2019 budget however, half of that cut was restored. Based on IML estimates, staff anticipates collecting \$1,661,646 in LGDF funds in 2025.

As our team moves forward, it is important to remind our state legislators how important LGDF funds are to our local community and toward meeting their numerous unfunded mandates. The funds are not state aid, but dollars collected by the state on behalf of cities, very similar to the grocery tax eliminated by the state of Illinois last year. Further, we need to continue to remind the state to pay this shared revenue in full and in a timely manner.



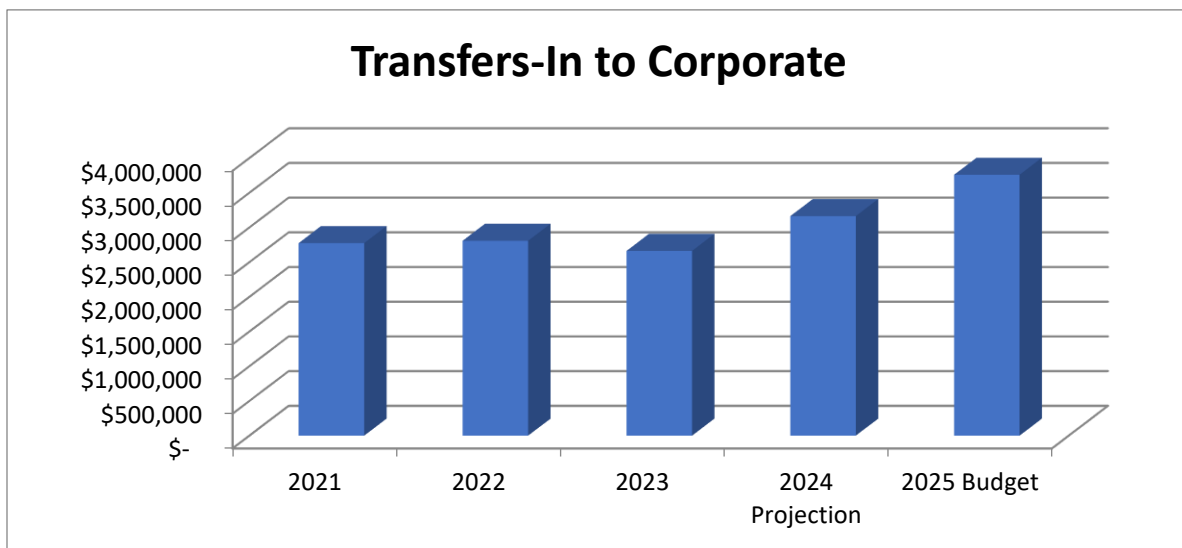
State Collected Sales Tax-1%

Since 2016, the city’s 1% State Shared Sales Tax has been increasing with 2025 projections on par with the near record collections in 2024. The general sales tax receipts constitute approximately 19% of the general fund revenues, depending upon the year. Continued increases are crucial to the funding of future initiatives and are a good indicator of the overall health of the local economy. The state-shared 1% Sales Tax is one of the best indicators of actual sales within the community. Even with inflationary pressures and product shortages, staff is estimating conservatively for these tax collections in the new fiscal year. Positively, Rochelle continues to see new businesses opening including multiple businesses in the downtown area new and redevelopment of restaurants and a host of other facilities. All new businesses add to our sales and property tax growth. This is another reason it is so important to promote shopping locally in the Rochelle area.



Transfers In

Like many other communities across the country, the city transfers in revenue from other funds as Payments in Lieu of Taxes. Payments in Lieu of Taxes are tax payments that would be made to the City if the utilities were privately-owned through Sales Tax Collections and Property Taxes. These payments are predominant within communities that have their own Utility Enterprise Funds. The transfers typically account for 20%-25% of overall General Fund revenues. This year the amount is \$3,758,824, which is approximately 25% of General Fund revenue. The transfers are based on previous year audited utility revenues with the water, sewer and electric transfers equating to 5.5%- 6% of the previous year's audited revenues. The total also includes transfers out of the water, water rec landfill fund to cover costs associated with 2 addition PW employees to fund more capital project work in-house. This will allow the city to keep projects moving forward and completed in a timely manner. The increased transfers are being offset by reduced expenditures in the affected utility funds.



General Fund CIP

Fire/EMS

PROJECT	DESCRIPTION	AMOUNT
New Ambulance	Ambulance replacement due to age and mileage, one delivered in 2025 (On order, F24), another in 2027 (F20), 2030 (F21)	\$355,000
Totals		\$355,000

Public Works & Solid Waste

Project	Description	Amount
Street Sweeper	Street sweepers are used to collect debris from our roads and help to keep pollutants out of our stormwater system.	\$390,000
Compact Track Loader	Compact loaders are the most used and versatile pieces of equipment at the Street Department.	\$45,000
Mini Excavator	Replace the 2015 mini excavator with a new and one size larger mini excavator.	\$40,000
Vehicle/Single & Tandem Axle Dump Trucks	Create a 16 year rotation of medium duty single and tandem axle dump trucks. Every 4 years, the City will finance the purchase of 2 single and /or tandem axle cab & chassis trucks.	\$130,723
Other Improvements/Forestry	Inventory, inspect, perform risk assessments, and provide maintenance to all city-owned trees. Also, purchase and plant new and replacement trees to improve Rochelle's overall canopy. Trees help form the character of a community and provide many benefits. Trees improve property values, reduce cooling costs, clean the air, and produce oxygen. Studies show trees can improve health, lower anxiety, and produce social neighborhoods. Other improvements includes roof repairs and coatings.	\$60,000
Total		\$665,723

CIP – Roads, Bridges, Storm Sewers

PROJECTS	DESCRIPTION	AMOUNT
Sidewalks/Pedestrian Path Annual Program	Annual sidewalk, curb and gutter replacement, and shared use path improvements	\$380,000
14th Street storm sewer drainage improvements	14th Street storm sewer drainage improvements from Carrie Ave south to the Westview interceptor	\$374,000
Flagg Road/20 th Street improvements-join project with Ogle County	Improvements include intersection geometrics, traffic signals and approach lanes of Flagg and 20th	\$2,518,000
1st Ave pavement improvements project	1st Ave pavement improvements project from 9th Street to 2nd Street	\$25,000
8 th Avenue pavement reconstruction PH2	8th Avenue pavement reconstruction PH3. 8th Ave from Woolf Ct to 10th St	\$127,000
Shared Use Path and Sidewalk Steward Rd./Carton Ct.	Shared use path and sidewalk Steward Road/Caron Ct per development agreement	\$180,000

CIP – Roads, Bridges, Storm Sewers

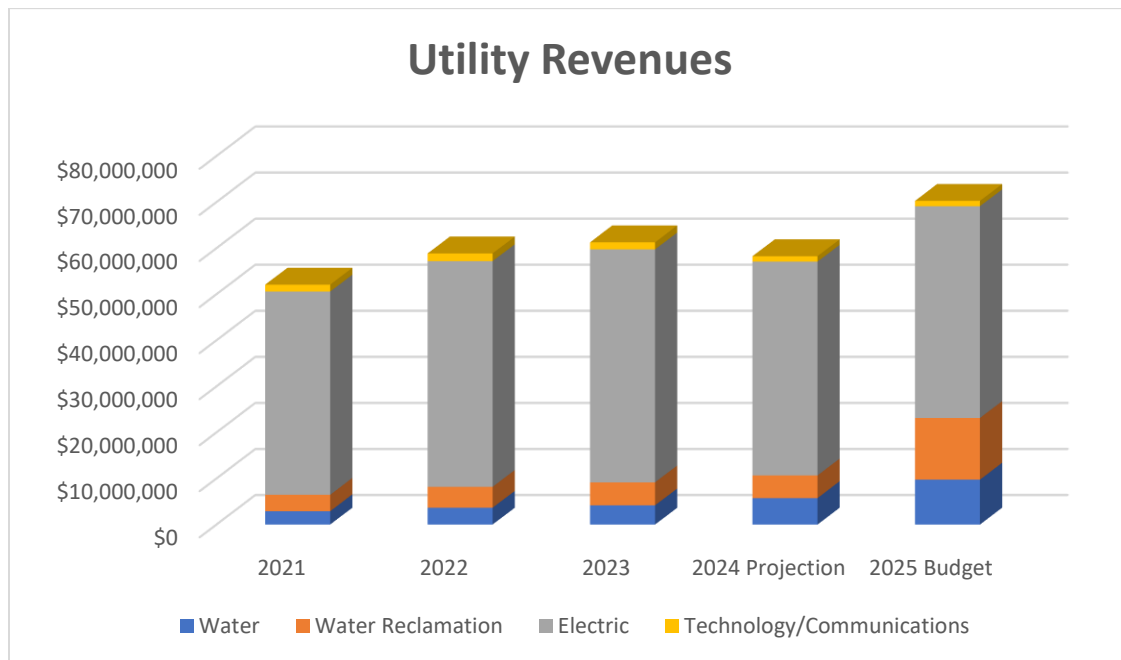
PROJECT	DESCRIPTION	AMOUNT
South Main Street Improvements Phase 2 Steam Plant Road to Veterans Parkway	Reconstruction and widening of South Main Street from Steam Plant Road to Veterans Parkway. This project is partially funded with MFT EDP funds through IDOT.	\$1,595,000
Other Street and Alley Improvements	Routine maintenance, replacement or reconstruction of street pavements, shoulders, curb or gutter.	\$165,000
7 TH Avenue Bridge Replacement	Bridge and roadway approach removal and replacement w/ ROW acquisition or engineering.	\$100,000
General Maintenance	General maintenance related to various streets, sidewalks, traffic control, signage and storm sewer work	\$125,000
General Bridge Maintenance	Ongoing maintenance expenses of city bridges	\$188,000
Totals		\$5,777,000

Community Development/TIF

Project	Description	Amount
Rebuild Downtown & Main Streets Grant	Asbestos abatement and building demolition for the structure located at 509 Lincoln Avenue, and Parking Lots 5 (corner of Main & Cherry), 6 (corner of Lincoln Highway & Lincoln Avenue), 8 (Corner of 4th Avenue & 6th Street), and 9 (corner of 4th Avenue & 6th Street). This also included a stage and restrooms located at the corner of Main Street and 5th Avenue in the parking lot south of the Fire Department.	Grant \$3,978,100
Totals		\$3,978,100

Enterprise Funds

The City of Rochelle Enterprise Funds, also commonly known as Proprietary Funds, consist of four Major Funds that include Electric, Water, Water Reclamation and Tech Center/Advanced Communications. The Airport, Solid Waste, Golf Course and Railroad are considered minor utilities within the Enterprise Funds. The enterprise funds make up the largest components of the overall budget. Altogether, the enterprise funds account for \$90,956,452 or 69% of all city expenditures. Based on load projections, the RMU electric utility is the 6th largest electric utility in the state of IL and could move into the top five in the next few years.



	2021	2022	2023	2024 Projection	2025 Budget
Water	\$ 2,898,626	\$ 3,644,620	\$ 4,170,816	\$ 5,744,583	\$ 9,748,167
Water Reclamation	\$ 3,556,613	\$ 4,531,926	\$ 4,994,944	\$ 4,913,827	\$ 13,384,141
Electric	\$ 44,127,866	\$ 49,013,304	\$ 50,575,563	\$ 46,415,820	\$ 45,973,091
Technology/Communications	\$ 1,491,266	\$ 1,671,096	\$ 1,530,303	\$ 1,180,850	\$ 1,163,000

Electric

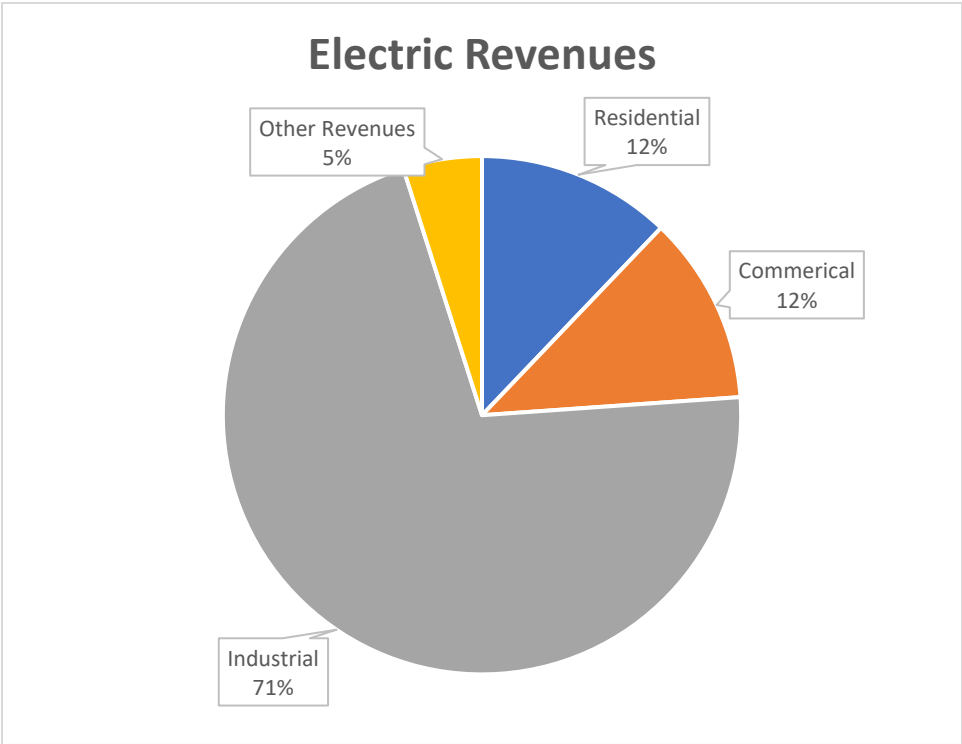
The single largest utility fund and overall city fund is the Electric Fund. This fund covers all the costs associated with the purchase, distribution, and utility billing to all properties within the RMU service territory. The combined budget for the Electric Department FY 25 is approximately \$53,763,775. Revenues for the department are estimated to be \$45,973,091. This deficit is due to the continuation of capital projects being funded through Alternate Revenue Bonds issued in 2022 and 2023 for large generation and distribution related projects. The city will continue seeking out grant opportunities from the federal government as long as they are available. We did receive a \$150,000 planning grant in 2024, which is atypical for an electric utility. We are also conducting another rate study through UFS and will bring proposals to council in 2025. We are looking at creating a CIP fund within the electric utility to pay for future generation asset purchases and rate stabilization as a precautionary measure for an early PSGC retirement. We are also looking at adding depreciation as an actual expense in all utility funds to save up for future capital expenditures.

The two largest expenses in the Electric Department are the cost to purchase power and capital investments. It is estimated that RMU will spend approximately \$27,000,000 on the purchase of power in new fiscal year. This accounts for roughly 50% of the Electric Department budget.

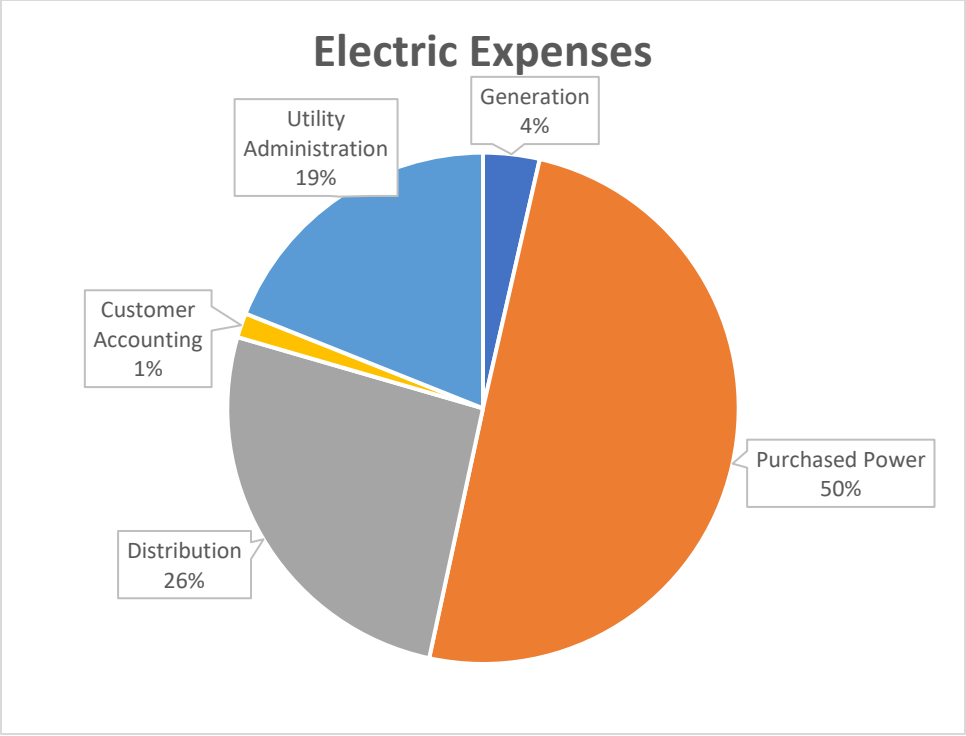
Capital investments account for 18% of the overall budget. Total investments in FY 25 are estimated to be approximately \$10 million. This includes investments in a new substation, distribution line expansion, replacement of equipment, burying overhead lines and completion of projects at the power plant.

Overall, the department continues to see increases in sales and a healthy reserve fund balance. With the addition of Wheatland Tubing and other industrial customers, our load management program and possible expansions of our hydroponic and data centers, the load and overall revenues for the utility will continue to increase. In fact, RMU could become the 5th largest municipal utility in the state of IL by 2026.

No major staffing changes are being considered in 2025. The budget includes maintaining current staffing levels. Ensuring front line staffing remains constant is extremely important for effective utility operations and ensuring employee safety.



Residential	12%	\$ 5,580,000
Commercial	12%	\$ 5,400,000
Industrial	71%	\$ 32,735,000
Other Revenues	5%	\$ 2,258,091
		\$ 45,973,091



Generation	4%	\$ 1,918,176
Purchased Power	50%	\$ 26,779,746
Distribution	26%	\$ 14,040,212
Customer Accounting	2%	\$ 832,300
Utility Administration	19%	\$ 10,193,341
		\$ 53,763,775

Electric

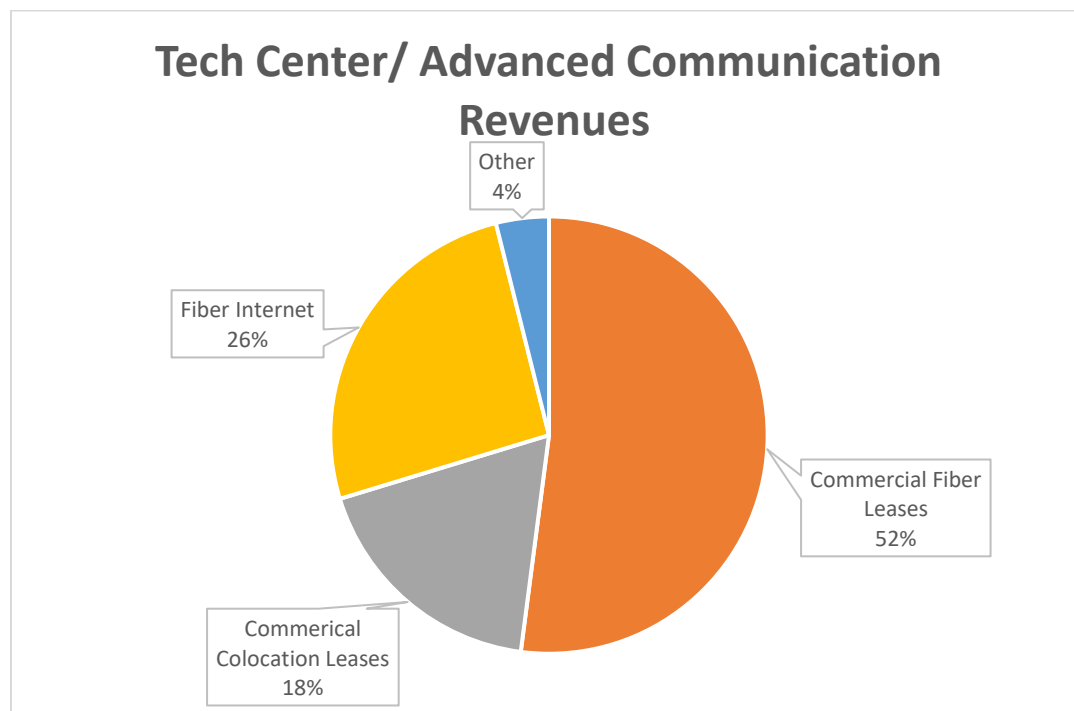
PROJECT	DESCRIPTION	AMOUNT
Overhead Distribution	System improvements to the distribution lines. Includes materials such as poles, transformers, conductors and bolts. RMU maintains 270 miles of overhead and underground distribution lines	\$291,832
Distribution Upgrades-PH2	Includes new 5.9 mile connection of 34.5kv line from Prologis Park Substation to new Centerpoint Substation. Distribution sub with 20 MVA 34.5 to 13.8 kv	\$9,800,000
Substations Maintenance	General maintenance blanket for all substations. 2025 Planned replacement of fence at Caron Rd. 2026 Planned replacement of fence at Twombly Rd.	\$250,000
Distribution-Underground	Blanket to repair and maintain underground lines due to age	\$212,242
Power Plant Upgrades	General maintenance and upgrades.	\$364,140
Streetlights	Replacement of streetlights poles with LED lighting throughout the City as needed.	\$190,000
Total		\$11,108,214

Technology Center & Advanced Communications

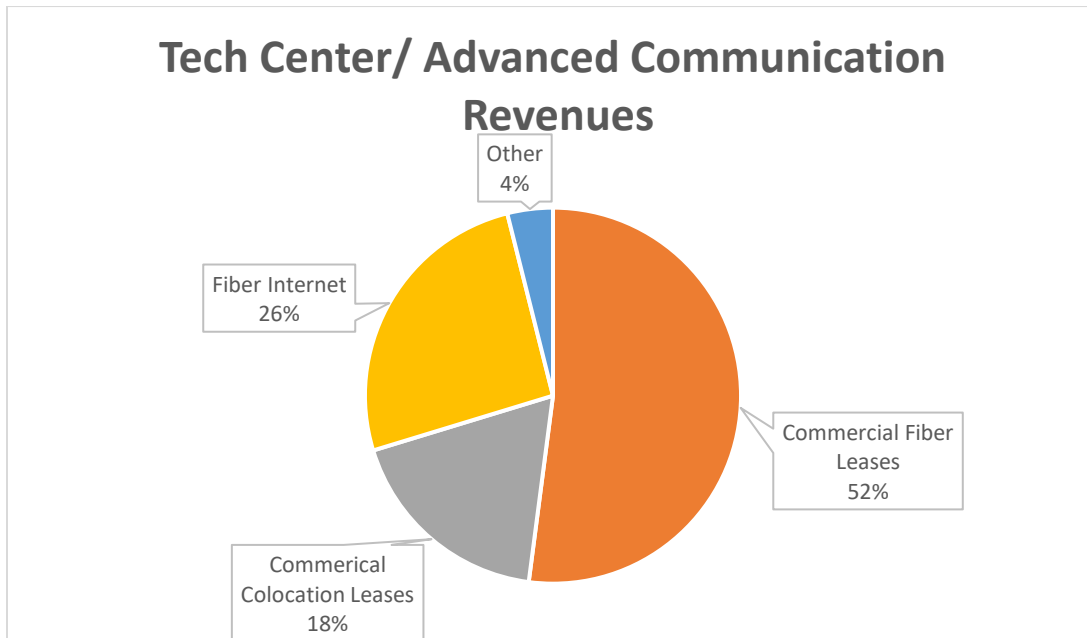
In 2017, the Technology Center and Advanced Communications Funds were combined into one distinct fund. This Fund serves all fiber and internet customers, along with all collocation and remote server clients. In 2017, the combined fund had a deficit of over \$1,100,000. The new Director of Advanced Communications has overseen this department and focused attention to outdated contracts, an inefficient billing system and major updates to the city's cybersecurity protocols. Because of these efforts, overall revenues have increased and at the end of 2024 the fund is projected to maintain a positive cash balance of over \$514,000. Unfortunately, our largest collocation customer Follet discontinued services in May. Because of this, staff budgeted conservatively in relation to revenues and by not anticipating replacing those lost revenues in 2025. Due to this the overall fund balance is expected to decrease by \$510,000. However, if necessary, there is one large capital expenditure that can be delayed.

Projected revenues for 2025 are \$1,163,000, while expenditures are estimated to be \$1,667,653. The deficit is due to many years of delayed maintenance projects at the Tech Center and throughout the fiber network and a reduction in collocation revenues

Staff within the department is showing a renewed focus on seeking new customers to increase revenues and updating equipment that is over 20 years old. These efforts are leading to a more efficient system that provides faster and more reliable services to our customers. Important initiatives for the department in 2025 include improvements to the Tech Center, investments in updating outdated equipment, conducting additional cybersecurity assessments, and hiring an engineer to assist with expanding collocation services.



Commercial Fiber Leases	52%	\$ 605,500
Commerical Colocation Leases	18%	\$ 212,000
Fiber Internet	26%	\$ 300,000
Other	4%	\$ 45,500
		\$ 1,163,000



Commercial Fiber Leases	52%	\$ 605,500
Commerical Colocation Leases	18%	\$ 212,000
Fiber Internet	26%	\$ 300,000
Other	4%	\$ 45,500
		\$ 1,163,000

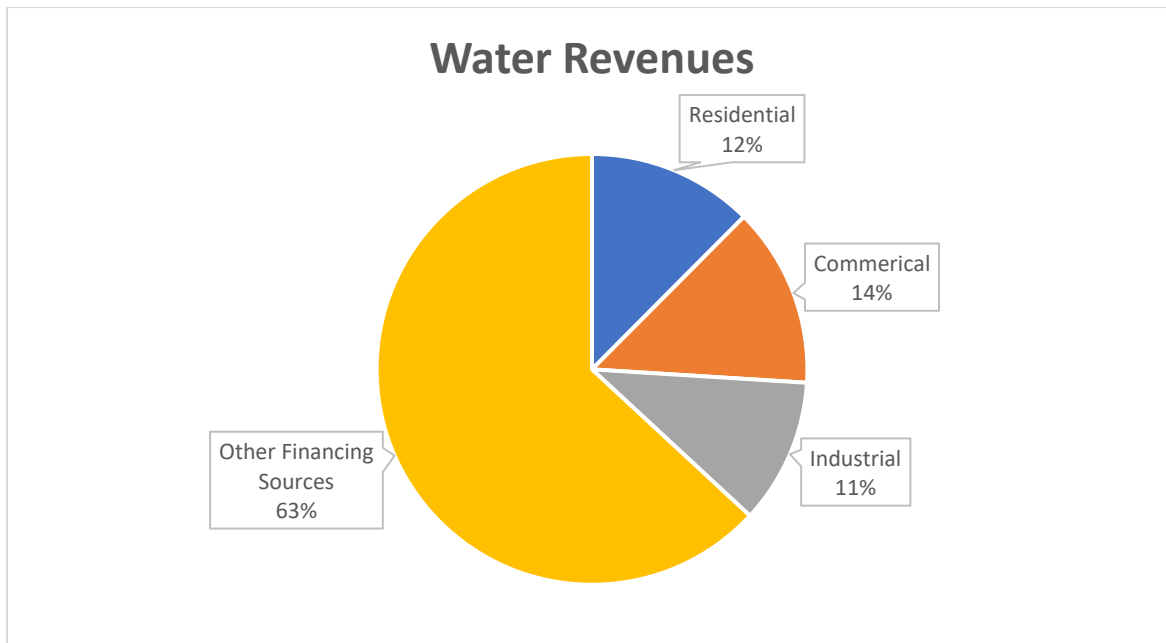
Tech Center/AC/Network Admin

PROJECT	DESCRIPTION	AMOUNT
Fiber Infrastructure Upgrades	External audit recommends changes to the network configuration to segment city data, SCADA and security enhancements	\$35,000
Tech Center AV system	The AV system at the Tech Center is old and has experienced equipment failure in the last year. We will be using these funds to upgrade the AV system before we suffer a catastrophic failure.	\$100,000
Total		\$135,000

Water/Water Reclamation

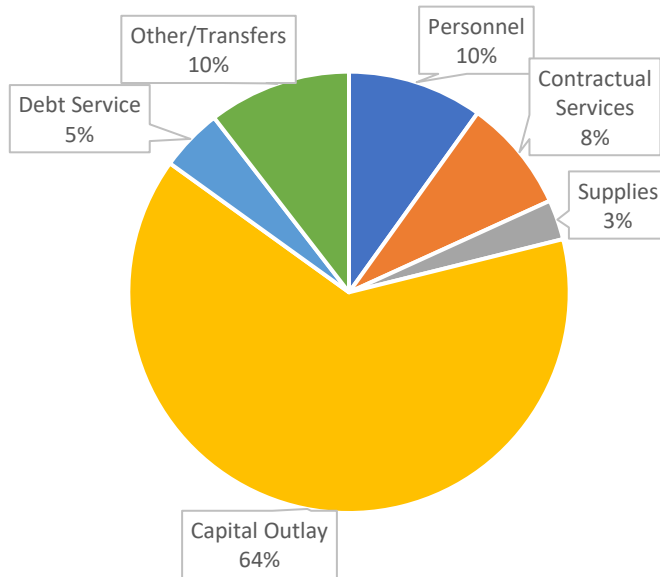
The combined Water and Water Reclamation Funds Revenues continue to see slight increases due to recently approved rate increases, new customers, grants & state revolving loan funds for capital projects including work at the WWTP and the construction of an iron removal system at well #8. The total revenue for the combined funds in FY 25 is estimated to be \$23,132,308. This total includes rates, fees, ILEPA loans, grants, water tower leases and other miscellaneous revenues. Currently there is a cash reserve in the Water/Water Reclamation Funds, however the city may end 25 short of required 365 days of cash in the water fund. The reduction in reserves in the water fund is due to cash funding several large capital projects and the final payment for the 1030 facility. The reserves were established to help fund future projects without relying completely on loans and rate increases. A list of the major capital projects contained in both departments is found below.

Expenses within the funds are estimated to be \$24,017,917. Most of the expenses are related to capital outlay projects and debt service payments. These projects account for approximately 69% of the total expenditures.



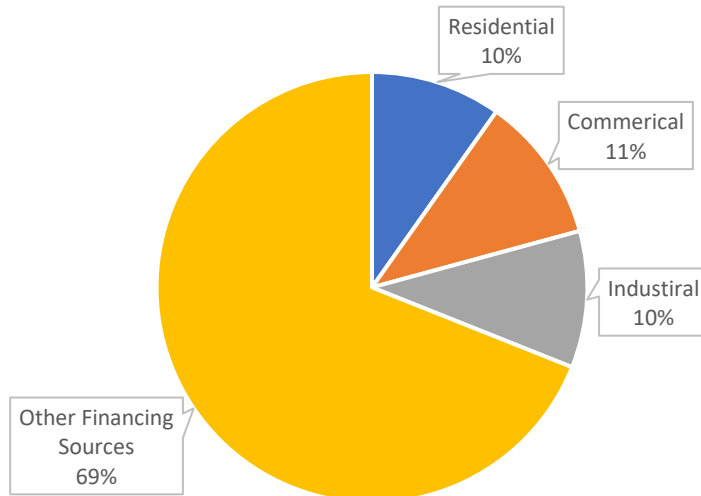
Residential	12%	\$	1,215,082
Commercial	14%	\$	1,318,746
Industrial	11%	\$	1,062,897
Other Financing Sources	63%	\$	6,151,442
		\$	9,748,167

Water Expenses

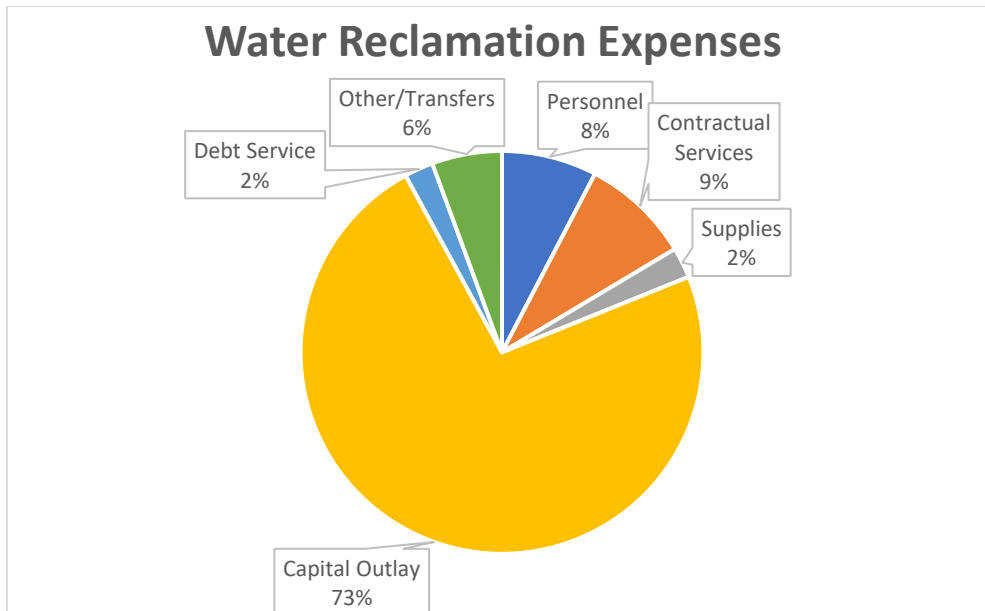


Personnel	10%	\$ 1,025,088
Contractual Services	8%	\$ 857,283
Supplies	3%	\$ 303,000
Capital Outlay	64%	\$ 6,601,196
Debt Service	5%	\$ 475,569
Other/Transfers	10%	\$ 1,083,031
		\$ 10,345,167

Water Reclamation Revenues



Residential	10%	\$ 1,311,571
Commerical	11%	\$ 1,468,685
Industiral	10%	\$ 1,373,885
Other Financing Sources	69%	\$ 9,230,000
		\$ 13,384,141



Personnel	8%	\$ 1,045,298
Contractual Services	9%	\$ 1,200,074
Supplies	2%	\$ 336,323
Capital Outlay	73%	\$ 10,005,182
Debt Service	2%	\$ 316,656
Other/Transfers	6%	\$ 769,217
		\$ 13,672,750

Water & Water Rec

PROJECT	DESCRIPTION	AMOUNT
Water Well #8-Caron Road	Construct a new well house and treatment plant to remove high iron.	\$5,950,000
Tower Painting at 251 Overpass	Paint elevated storage tank at 251 overpass	\$276,854
Heavy Equipment	Heavy equipment to handle construction work such as a Crane Truck.	\$140,000
Underground emergency work	Repair and maintenance of water main system	\$106,121
Water Maintenance Blanket	Materials for preventative maintenance and repair	\$106,121
Water Tower Maintenance	Inspect and clean all water towers.	\$45,000

Water & Water Rec

PROJECT	DESCRIPTION	AMOUNT
WWTP Updates Phase 2	Complete update and replacement of the Treatment Plant.	\$7,886,000
Lift Station Upgrades	Upgrade aging infrastructure at the existing lift stations.	\$75,000
WATER Reclamation Maintenance Blanket	Preventative maintenance and replacement of Water Reclamation infrastructure to avoid failure.	\$104,591
Sewer Line Replacement/Lining Phase 4	Line approximately 20,000 feet of sewer from Washington to South Main	\$1,690,000
Underground Emergency Work	Unplanned repairs and maintenance in collection system	\$104,591
Drill/Develop New Well and Wellhouse	To drill a new well and construct a new wellhouse for increased water supply.	\$100,000
Total Water/Water Rec		\$16,584,278

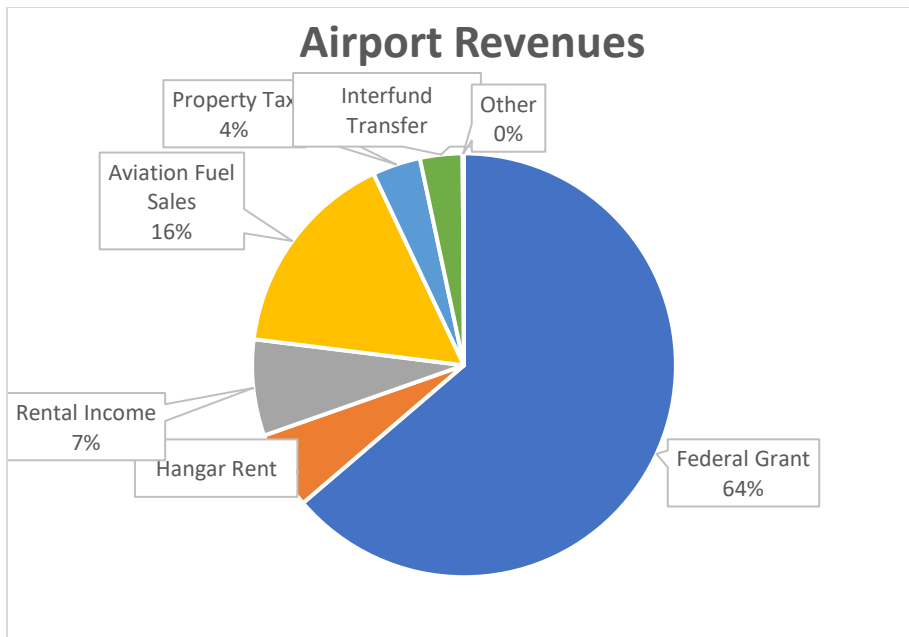
MINOR ENTERPRISE FUNDS (AIRPORT, RAILROAD, SOLID WASTE AND GOLF COURSE)

Rochelle Municipal Airport

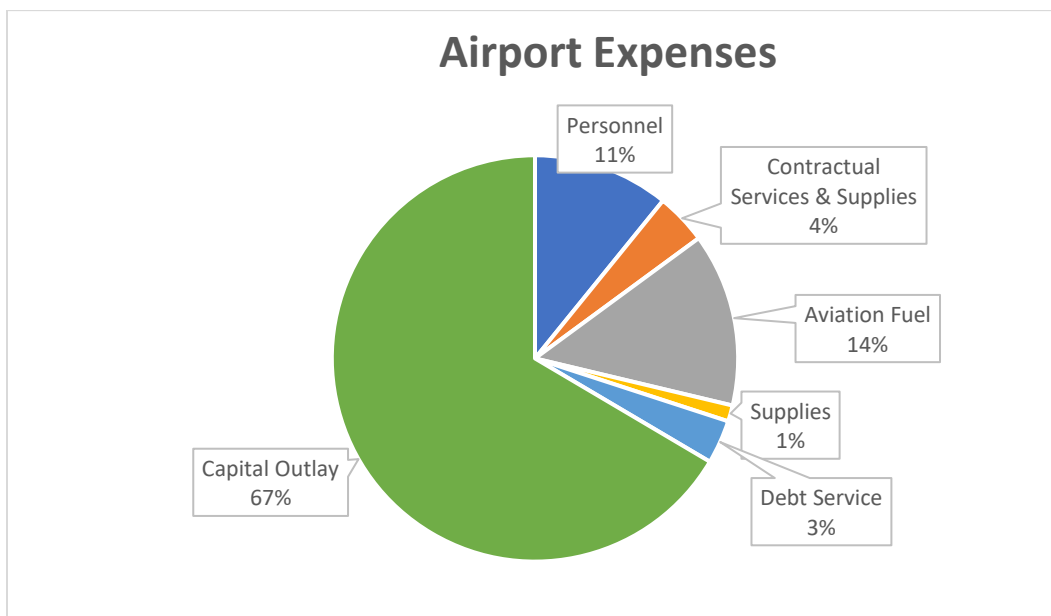
The Rochelle Municipal Airport is a unique asset to the community and contributes \$17 million per year in economic impact to our region according to the most recent IDOT study. Over the past seven years, the airport has expanded its infrastructure through numerous capital and maintenance projects. Since 2014, over \$10,000,000 has been expended on these projects, which are funded through the FAA and IDOT. The grants are allocated at 95% with a 5% local match. In the past, the local match has come from bond funds, the general fund, and the CIR. In 2024, the city purchased the Large Car Rebuilders facility with the aid of a 95% grant from the federal and state governments. Staff also secured a light sport and helicopter service to operate out of the community hanger. Both initiatives will provide increased long-term revenues that will help to sustain the airport financially. The proposed improvements for 2025 include construction of a new 8 unit t-hanger building and the refurbishment of the airport entry lane and car parking lot.

Air traffic at the facility continues to grow. In 2024, staff recorded 10,906 take-offs and landings (April through September) compared to 10,716 in 2023 during the same period. In 2024, hanger utilization is up to 100% and there is a waiting list. Total gallons of fuel sold increase in the first 9 months of 2024 compared to the same period in 2023.

The growth of the Chicagoland Skydiving Center and the Flight Deck Bar & Grill draws thousands of people from across the country every year. In 2024, there were approximately 50,000 sky diver drops. This infusion of people benefits our hotels, restaurants, gas stations and grocery stores throughout their season.



Federal Grant	64%	\$	985,000
Hangar Rent	6%	\$	91,000
Rental Income	7%	\$	113,548
Aviation Fuel Sales	16%	\$	247,500
Property Tax	4%	\$	56,744
Interfund Transfer	3%	\$	50,000
Other	0%	\$	1,700
		\$	1,545,492



Personnel	11%	\$ 176,722
Contractual Services & Supplies	4%	\$ 66,300
Aviation Fuel	14%	\$ 225,000
Supplies	1%	\$ 20,900
Debt Service	3%	\$ 56,744
Capital Outlay	66%	\$ 1,083,500
Other	0%	\$ 2,000
		\$ 1,631,166

Airport

Project	Description	Amount
Construction of Hangar F4	Hangars are approximately 50 years old and beyond repair. Phase 1 - construction of Hangar F; Phase 2 - replaces Row D; Phase 3 - replaces Rows B & C; Phase 4 - replaces Row A.	\$1,083,500
Replace Papi System	Replaces 25 year-old Precision Approach Path Indicator (PAPI) System navigation aid because of continuous failure issues.	\$25,000
Total		\$1,108,500

The City Rail Road (CRRR)

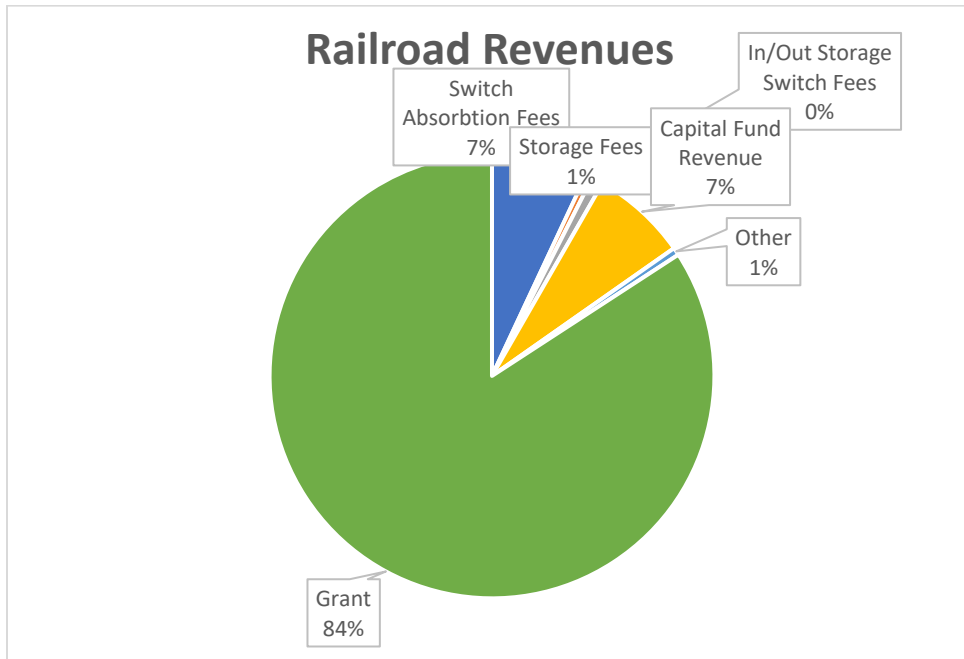
Over the past five years the CIR has experienced significant changes. Now that the Rochelle Transloading Center has been established, we are serving more industries in our area with rail services. CIR revenues are estimated to be approximately \$1,175,000 for fiscal year 2024. The RTC's expansion in 2023, which includes new intermodal services began in summer of 2023. GREDCO and the City are collaborating with the BJRY and CHS to pave a portion of the RTC and build a Container Yard (CY). The city's portion of the project was funded by a grant through the State of Illinois. GREDCO is working with CHS to develop the Container Yard. The increased traffic through the CIR in 2025 is expected to increase rail revenues by 15%-20%.

Additionally, major maintenance projects are scheduled to continue into 2025. The Caron Road and Steam Plant Road Crossings will be removed and replaced. These projects include the replacement of the rail, ties, and pavement on all sides of the crossings. The project will be paid for by funds that are set aside each year from the annual income that the CIR derives from its operations.

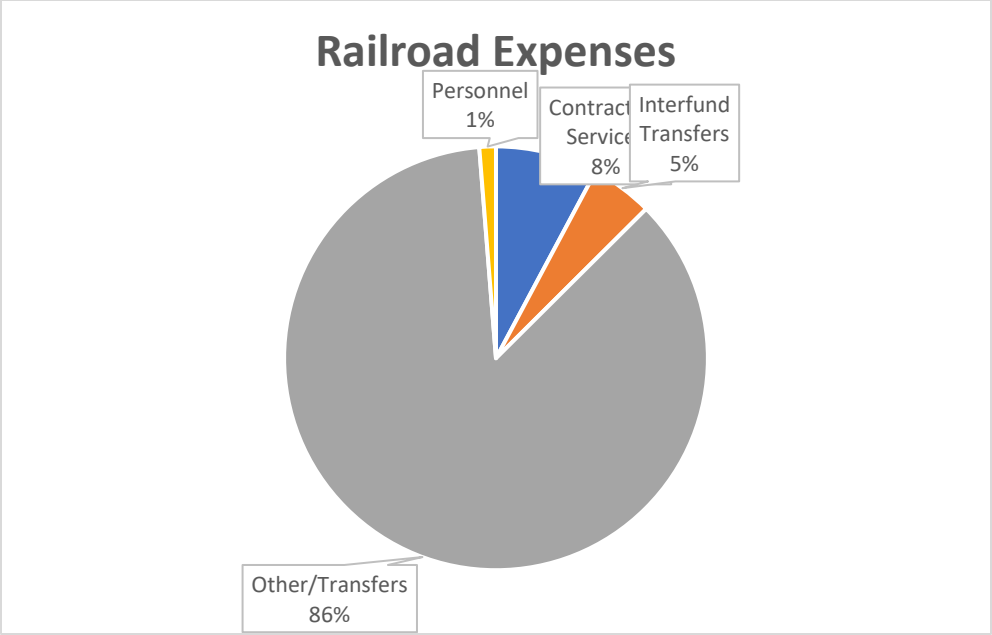
For more than a decade the city has been discussing with the BNSF the construction of a new BNSF/CIR interchange near Elva Road. Federal grant funding programs are coming available for closing of at-grade crossings and the city will be pursuing grant funding along with BNSF contributions to install a new main line switch and extend the CIR south to Elva Road. This project

would remove the current BNSF traffic from the three crossings on Caron and Steam Plant Roads. Estimated cost of the new switch and CIR expansion is \$12M.

The CIR revenue covers the cost of the bond that funded the Railroad Quiet Zone, the annual fee to participate in the Lee-Ogle Enterprise Zone, nearly all costs associated with operating the Economic Development Department, transfers for airport project matching funds and contributes approximately \$50,000 to the city and GREDCO operations. Additionally, the CIR sets aside 40% of its revenue for matching future federal and state grants which cover 50%-80% of capital/maintenance projects.



Switch Absorbtion Fees	7%	\$	500,000
In/Out Storage Switch Fees	0%	\$	35,000
Storage Fees	1%	\$	60,000
Capital Fund Revenue	7%	\$	500,000
Other	1%	\$	40,000
Grant	84%	\$	6,040,000
		\$	7,175,000



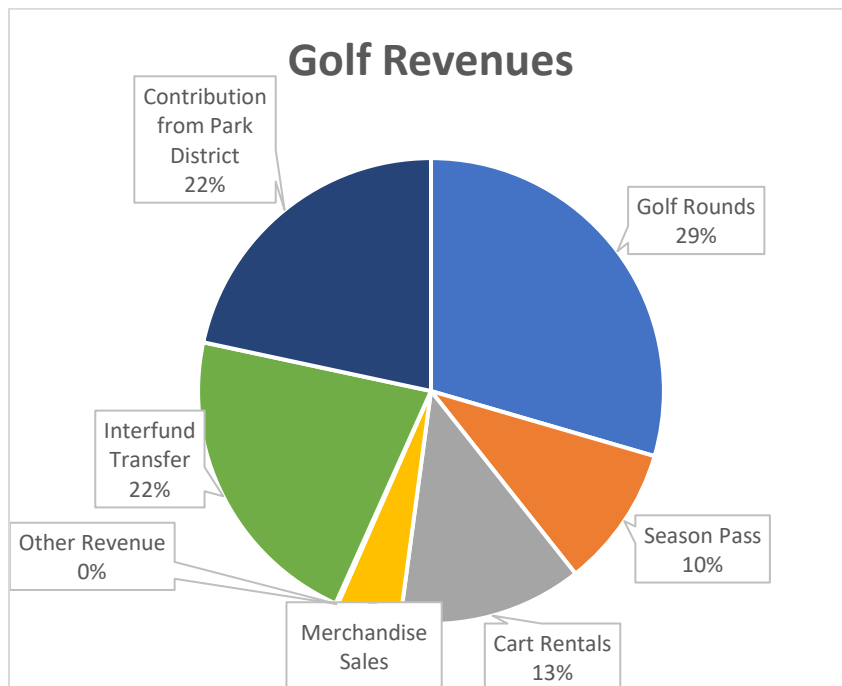
Contractual Services	8%	\$	597,353
Interfund Transfers	5%	\$	363,000
Other/Transfers	86%	\$	6,600,000
Personnel	1%	\$	96,573
		\$	7,656,926

Railroad

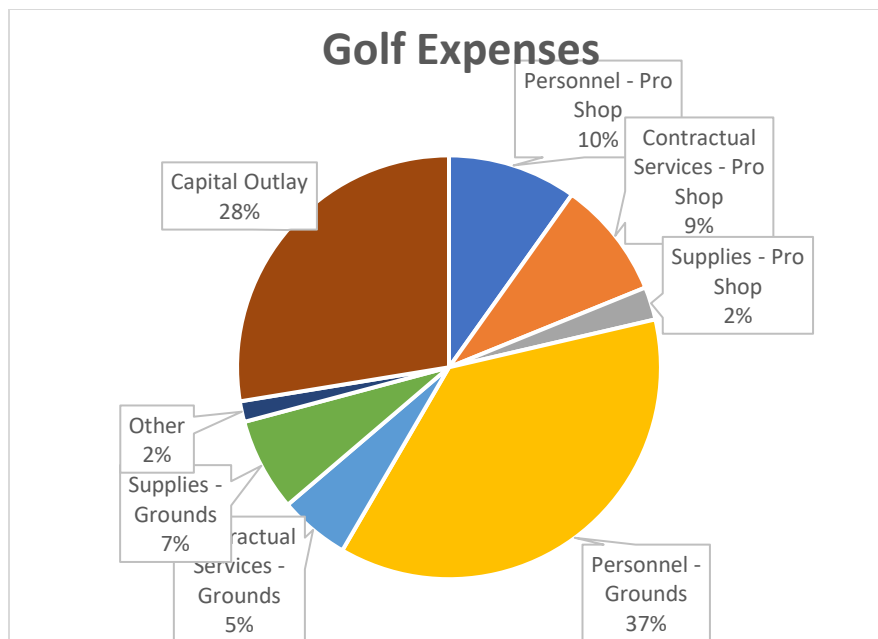
Project	Description	Amount
Eastern Expansion of RITC	The construction of a box culvert to allow for the expansion of the RITC to the east approximately 1,000 feet	\$6,000,000
Land Acquisition for Future Expansion of the Rochelle Intermodal Transload Center (RITC)	14 Acres of land South of the RITC will need to be purchased for future expansion.	\$400,000
Total		\$6,400,000

The Rochelle Municipal Golf Course

The Rochelle Municipal Golf Course (Fairways) continues to provide a valuable recreational service to our community. In 2022, the golf course had a record year selling close to 13,000 rounds. In 2023, we had our best year ever with over 15,300 rounds. In 2024 we will surpass 16,000 rounds. This year the facility sold 111 season passes and hosted over 17 group outings. The Golf Course manager and his team have made major improvements since 2021 that include all new LED lighting in the Pro Shop and cart barn, new stamped patio between the Pro Shop and Luna, replacement of irrigation pump and drive, storm water improvements on the south end of the course, removal of dead trees from the course, constructed two new tee boxes on holes 4 and 6, a new roof and refurbished restrooms on the course, upgraded cart paths with asphalt millings and a new gutter system at the pro shop and cart barn.



Golf Rounds	30%	\$	150,000
Season Pass	10%	\$	50,000
Cart Rentals	13%	\$	65,000
Merchandise Sales	4%	\$	22,500
Other Revenue	0%	\$	800
Interfund Transfer	22%	\$	110,000
Contribution from Park District	22%	\$	110,000
		\$	508,300

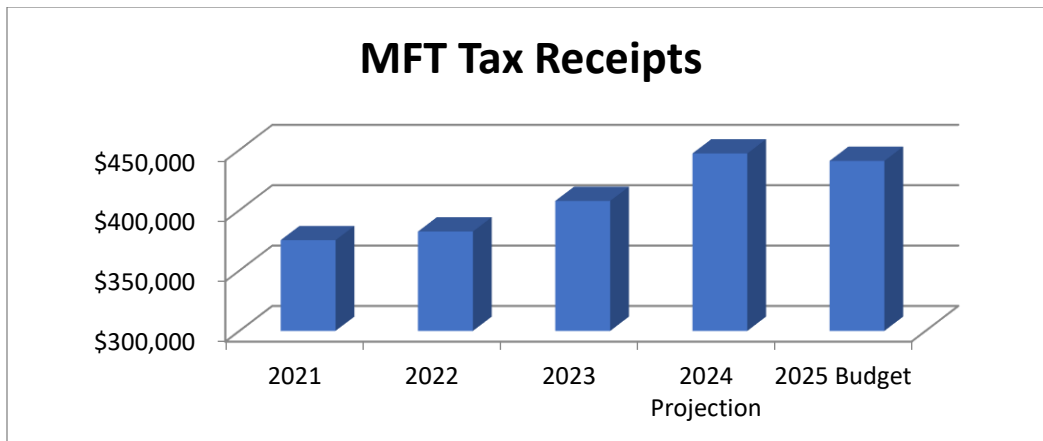


Personnel - Pro Shop	10%	\$	50,000
Contractual Services - Pro Shop	9%	\$	45,750
Supplies - Pro Shop	3%	\$	12,750
Personnel - Grounds	37%	\$	188,009
Contractual Services - Grounds	5%	\$	27,250
Supplies - Grounds	7%	\$	36,000
Other	2%	\$	8,000
Capital Outlay	28%	\$	140,000
		\$	507,759

OTHER FUNDS (MFT, TIF, UTILITY TAX, NON-HOME RULE SALES TAX AND HOTEL/MOTEL TAX)

Motor Fuel Tax Fund

Motor Fuel Tax Funds are used for infrastructure and transportation related projects. The Motor Fuel Tax is levied and collected by the state and redistributed back to localities based on a per capita basis. For FY 25, staff is estimating collections of approximately \$440,845 (based on Illinois Municipal League data). The gas tax increase from 2019 continues to net additional revenue for the city. All MFT funds must be used for street related projects and not expenses related to salaries. Annually the city funds a large portion of the Seal Coat Program with MFT dollars. Other projects that will be partially funded with MFT dollars in 2025 and coming years include 7th Ave Bridge over Kyte River and the 20th Street and Flagg Road Intersection project.



Tax Increment Financing Funds

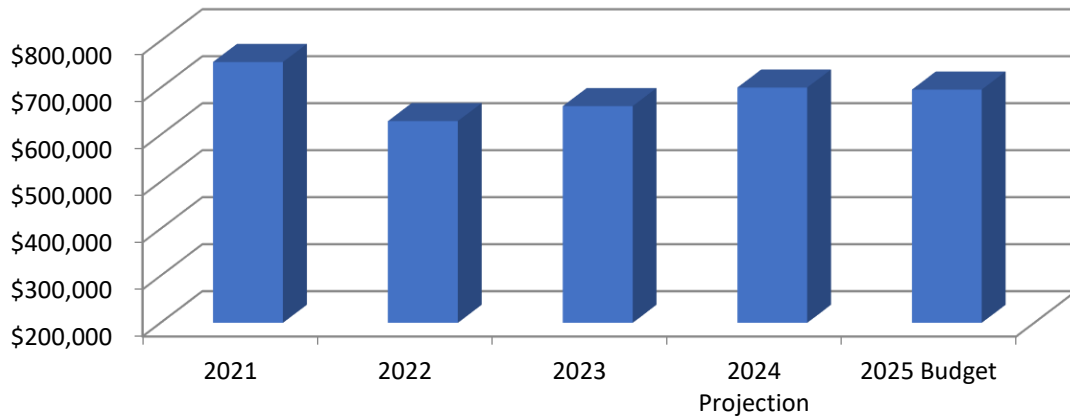
The City of Rochelle has four TIF funds. The Lighthouse Pointe TIF was established in 2010 for public improvements near the Walmart and retail out-lots on Route 38. The funds generated by this TIF can only be utilized in the TIF area and are used to fund debt service and other redevelopment projects. Aside from the debt service payments, the largest expense in the Lighthouse Pointe TIF is the reimbursement to both school districts and the recent road improvements and lighting projects. Total anticipated revenues in FY 25 are estimated to be \$696,337.

Established in 2016, the Downtown and Southern Gateway TIF received its first increment in 2017. The increment the city receives continues to increase annually. The downtown TIF continues to grow considerably due to large private investments that are being made in the downtown area. Staff anticipates collecting approximately \$572,5906 in property taxes in the new FY. This is an increase of over \$171,000 from 2023. This TIF is the perfect example of how TIF districts are used to promote and support economic growth. Last year the city council issued \$2,500,000 in alternate revenue bonds to fund major downtown improvements including purchase and rehabilitation of property, the construction of an event venue and restrooms and the installation of new infrastructure. These funds will be spent in 2025.

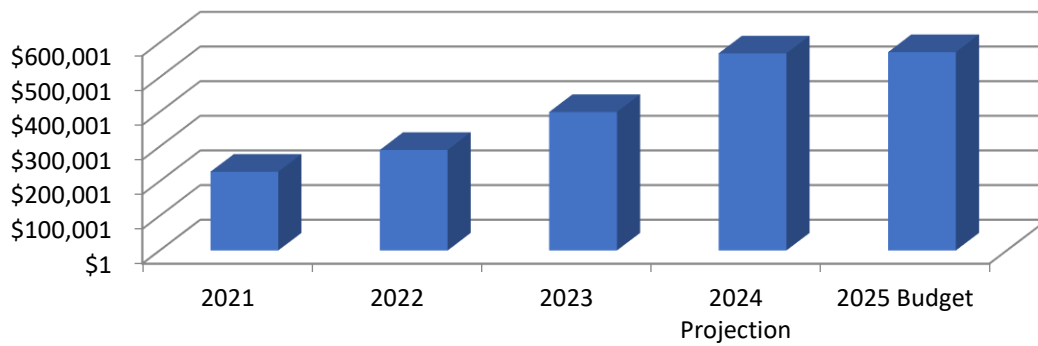
The third TIF, commonly known as the Northern Gateway TIF, was established in August 2018. The TIF is projected to generate \$226,186 in 2025. Projects funded by this TIF include Benny's Corner Market Development agreement, the Breakthru Beverage site redevelopment and redevelopment efforts at the Hickory Grove site. Our team will continue working aggressively to fund future projects in this area.

In 2024 the city council established a new TIF district known as the Eastern Gateway TIF. This area was established to encourage redevelopment projects in and around the former Sullivans Grocery store. The 2026 budget summary will include updated revenue projections and a list of projects being funded, if there are any.

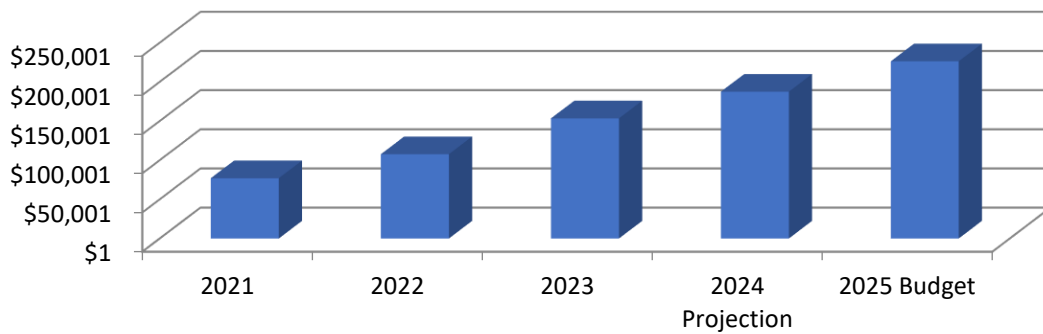
Lighthouse Pointe TIF



Downtown TIF



Northern Gateway TIF



Aside from Motor Fuel Tax, the two other revenue sources the city utilizes to fund Capital Improvements include the ¾% Non-Home Rule Sales Tax and the Utility Tax. Both revenue sources, as set by code, are to be used for infrastructure improvements and Property Tax relief.

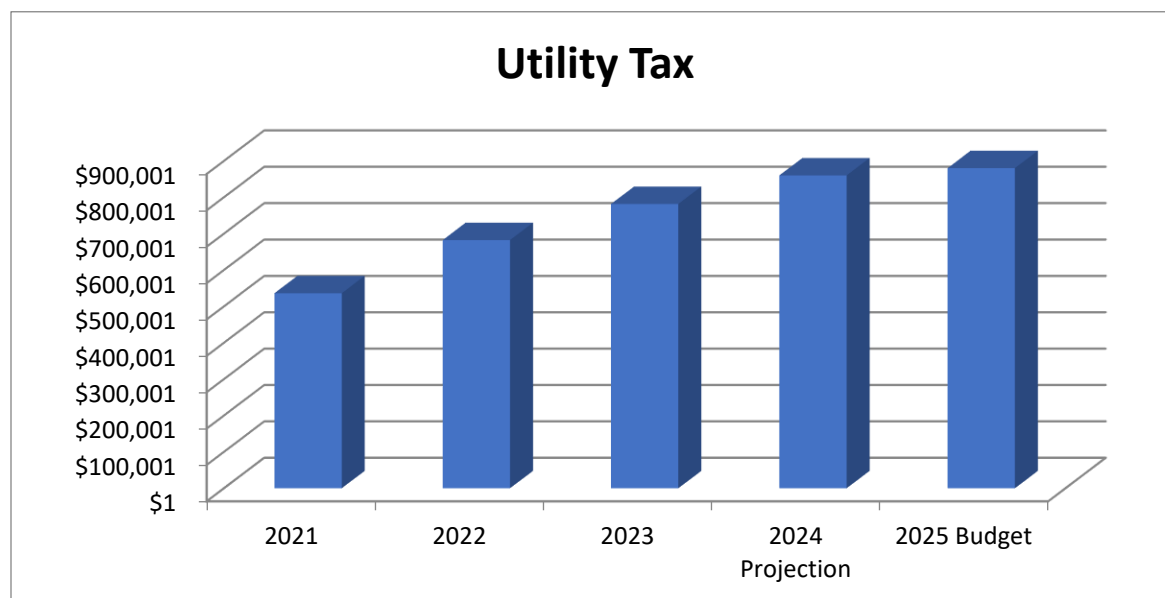
Utility Tax

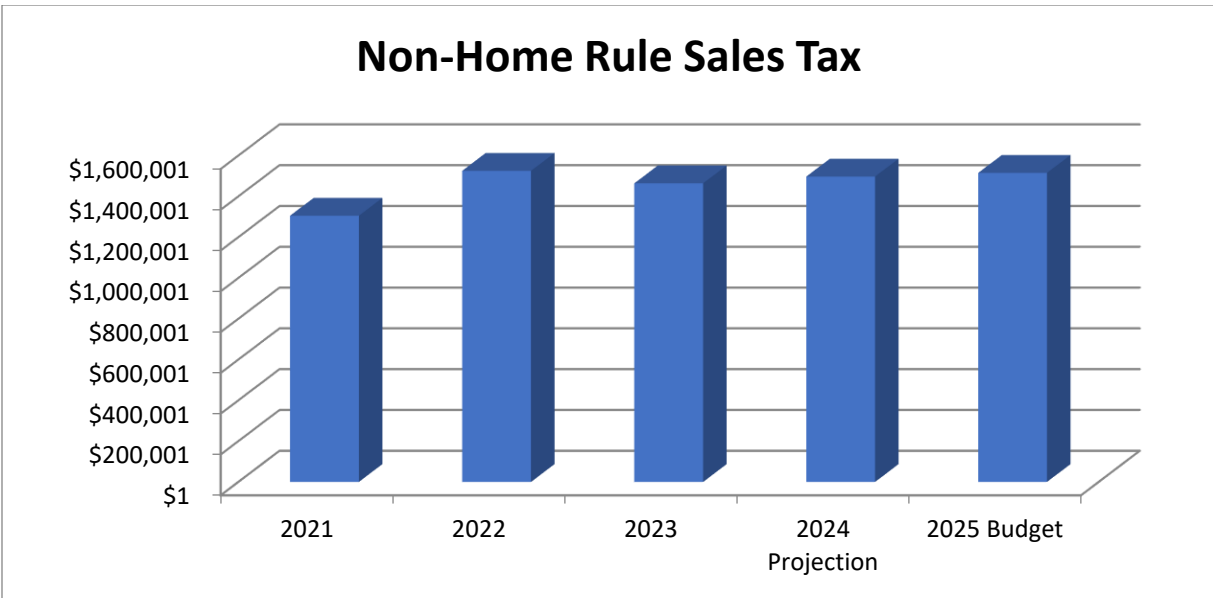
In FY 25, it is projected that the Utility Tax Fund will generate \$880,000. This decrease is based on the load reduction from Wheatland Tubing and MightyVine. Projects being funded in the coming year include the Sidewalk Replacement Program along with street and storm water improvements throughout the community. The Utility Tax must be reapproved by council every five years. This tax was reauthorized in 2022 without an increase.

Non-Home Rule Sales Tax

Non-Home Rule units of local government are authorized to impose a Home Rule Sales Tax and certain Non-Home Rule units of local government are authorized to impose a Non-Home Rule Sales Tax. The Non-Home Rule Sales Tax is in 0.25% increments with a 1% maximum rate limit. The city's Non-Home Rule Sales Tax rate is .75%. Under the new state law however, the city can increase this without a referendum by .25%. The city should do this to make up lost revenues from the elimination of the grocery tax. These funds will then be allocated toward infrastructure related items.

Staff is anticipating the tax will generate approximately \$1,515,000 in revenues in FY 2025. The funds will be utilized to fund infrastructure improvements along with covering the payment for the 2018 Alternate Revenue Bonds. The annual debt service payment is approximately \$656,000 and the final payment will be on January 1, 2027. The bonds helped fund the following projects: South Main Street expansion and reconstruction, 6th Street reconstruction, West 2nd Avenue reconstruction and numerous storm sewer projects throughout the community. The remaining funds will be transferred to the CIP to help fund projects in 2025.





Hotel/Motel Tax Fund

The city’s other minor fund that contributes greatly to the overall economic viability of the community is the Hotel/Motel Tax Fund. The revenues generated by this tax can only be spent on items related to the promotion of tourism in the community. With revenues and tourism greatly rebounded from pandemic levels, staff estimates hotel/motel tax revenues of approximately \$275,000 in 2025.

Projects planned for funding in new fiscal year include phase II of the building and grounds improvements at Railfan Park, community mural funding, upgraded pickleball courts at the golf course, new community entrance sign and other marketing projects. The other major expense in the Hotel/Motel Tax Fund is the \$60,000 contribution to the golf course. This is the first year of the new five-year agreement with the Park District. Another possible use of future funds will be to assist in the redevelopment of the Hickory Grove site and working with the chamber and other entities to bring more events to Rochelle.



Hotel/Motel Tax Community Growth Events & Projects

Community Groups/Events:

Outdoor Markets - \$4,500
Lincoln Highway Heritage Festival - \$8,000
Trick-or-Treat Safe House - \$500
Movie in the Park - \$3,500
Christmas Walk - \$5,000
Easter Egg Hunt - \$750
Railroad Days - \$5,000
Haybale Trail - \$5,000
Cinco de Mayo \$10,000
Fiesta Hispana \$10,000
Flagge/Rochelle Museum \$12,000

Community Contributions (General Fund/RMU Community Relations):

Rochelle Chamber	\$9,500
Senior Center	\$25,000
Flagg Rochelle Museum	\$12,000
4 th of July Fireworks	\$15,000
Municipal Band	\$14,000

STAFF LEVELS AND COSTS

To find cost reductions, in early 2023 the city council approved another separation incentives for qualified employees. To date, 8 employees have chosen to participate, with only two employees being replaced. It is anticipated the savings will be roughly \$300,000 annually once fully implemented.

Another goal of this budget to ensure all staffing is being funded by the appropriate departments. Therefore, 8 positions are included in the Administrative Services Department. They include the City Manager, Director of Community Engagement/Assistant to the City Manager, Finance Director and staff associated with Finance, the Human Resource Director, Human Resource Specialist and Risk & Safety Coordinator. The GIS position is being funded through the Network Administration budget. There are funds appropriated for two new PW employees that will be funded through savings associated with doing more construction work in house, instead of utilizing more costly outside contractors.

All Funds, both general and utilities contribute based on a predetermined formula. Moving these salaries to this department ensures that all funds are being adequately charged for that position's salary and benefits. This will ensure a more equitable funding level for these positions going forward.

Another looming cost, but extremely important benefit to offer, is the city's healthcare plan. The organization continues to provide a competitive benefit package to our employees. Overall rate

increases have averaged less than 4% annually, with a 1% reduction in the current year. All new employees are enrolled the new two-tier health care program. The fire fighters do not have a tier two plan but agreed that all employees current and new will pay a higher portion of their healthcare costs. This year the city will again be offering a high deductible/HSA plan for our staff.

Full-Time Employees

General Fund (Includes elected officials)	83 Full-Time Employees
Internal Service	13 Full-Time Employees
Enterprise Funds	<u>47 Full-Time Employees</u>
TOTAL	143 Full-Time Employees

Non-union labor costs have been budgeted to average 3+% to account for salary increases based on the 2024 salary/compensation study. These salaries are based on the compensation study, internal comparables and external comparables. Our goal is to ensure that our pay rates continue to match the market ensuring we keep our amazing staff. All union labor costs are set by recently approved collective bargaining agreements and have been averaging 3%-4% increases.

DEBT SERVICE

As directed by the mayor and city council, staff continues to attempt to pay down the city's outstanding debit. However, due to continued historically low interest rates, the city council authorized the issuance of up to \$2.5 million in Alternate Revenue Bonds to fund downtown ammenities and electric related infrastructure upgrades in the downtown area. Aside from this new debt the city continues to pay down all of its other long-term debt obligations. Below is a list of the outstanding debt for the city and RMU. Total debt will decrease by approximately \$3.8 million in FY 25 to \$33,064,464.

Outstanding Debt	As of 1/1/25	Principal Payments	As of 12/31/25
Electric (Bond)	\$ 18,295,000	\$ 1,270,000	\$ 17,025,000
Electric (Building)	\$ 292,491	\$ 292,491	\$ -
Technology Center	\$ 1,345,000	\$ 320,000	\$ 1,025,000
Water Reclamation	\$ 4,244,980	\$ 266,227	\$ 3,978,753
Water	\$ 5,832,952	\$ 387,963	\$ 5,444,989
Airport	\$ 275,000	\$ 55,000	\$ 220,000
Lighthouse Pointe TIF	\$ 1,355,000	\$ 195,000	\$ 1,160,000
Downtown TIF	\$ 2,375,000	\$ 125,000	\$ 2,250,000
General Fund (Quiet Zone)	\$ 495,000	\$ 165,000	\$ 330,000
General Fund (Cap Impr)	\$ 1,850,000	\$ 595,000	\$ 1,255,000
General Fund (Fire Dept)	\$ 262,500	\$ 17,500	\$ 245,000
General Fund (Street Dept)	\$ 261,444	\$ 130,722	\$ 130,722
TOTAL	\$ 36,884,367	\$ 3,819,903	\$ 33,064,464

Fund Summaries

	2024 Budget	2025 Budget	% Change
<u>General Fund</u>			
Revenues	\$14,051,480	\$14,864,471	+6%
Expenditures	\$14,043,345	\$15,372,877	+9%
<u>Special Revenue Funds</u>			
Revenues	\$10,266,929	\$8,181,585	-20%
Expenditures	\$12,463,220	\$13,387,620	+7%
<u>Water Fund</u>			
Revenues	\$11,092,144	\$9,748,167	-12%
Expenditures	\$11,357,201	\$10,345,167	-9%
<u>Water Reclamation Fund</u>			
Revenues	\$12,846,551	\$13,384,141	+4%
Expenditures	\$13,503,647	\$13,672,750	+1%
<u>Solid Waste</u>			
Revenues	\$759,469	\$1,228,075	+62%
Expenditures	\$1,305,037	\$1,711,256	+31%
<u>Electric Fund</u>			
Revenues	\$45,404,265	\$45,973,091	+1%
Expenditures	\$52,945,757	\$53,763,775	+2%
<u>Airport</u>			
Revenues	\$1,616,194	\$1,545,492	-4%
Expenditures	\$1,492,499	\$1,631,166	+9%
<u>Railroad</u>			
Revenues	\$1,131,300	\$7,175,000	+634%
Expenditures	\$1,556,434	\$7,656,926	+492%
<u>Golf Course</u>			
Revenues	\$381,800	\$508,300	+33%
Expenditures	\$377,464	\$507,759	+35%
<u>Technology Center</u>			
Revenues	\$1,493,000	\$1,163,000	-22%
Expenditures	\$1,947,829	\$1,667,653	-14%

Cash on Hand and Days Cash Available

	01/01/2025	12/31/2025	Change
General	\$10,675,243	\$10,166,837	(\$508,406)
Water	\$1,535,931	\$938,930	(\$597,001)
Water Rec	\$5,871,692	\$5,573,084	(\$298,608)
Electric	\$32,191,739	\$24,401,055	(\$7,790,684)
Tech Center/AC	\$514,997	\$10,344	(\$504,653)

	#Days	Policy
Water	213	365 Days
Water Reclamation	777	365 Days
Electric	360	90-120 Days

Recent Accomplishments

To balance the challenges addressed above, the City of Rochelle has taken the following steps:

- Review of Utility Rates periodically. Last year the city council approved a small rate increase for the hydroponic rate and the city council also approved a small adjustment to the minimum charge on all electric customer accounts. The city is conducting a new electric rate study through UFS that staff will present to council in 2025. In both the water and waste reclamation departments small rate adjustments previously approved by council will go into effect.
- In FY 20, the city extended its Purchase Power Agreement with NextEra energy that will provide low and stable wholesale power rates for the next eleven years. This again will help to lead to savings for our ratepayers. The city will continue to monitor the market and look to find ways to increase its renewable portfolio. In October the city council approved a two-year purchase power agreement with Constellation for an additional 5MWh of power in certain months of the year. The rates are competitive and will help keep long-term power costs down. Staff is working with

several industrial customers on the idea of a CHP (Combined Heat and Power) system at their facilities. This may reduce load, but the possibility of purchasing excess power in the summer could lead to lower congestion and generation costs.

- Two years ago, the city signed a demand response agreement with CPower. This agreement could potentially save the utility and its customers money by reducing demand costs during high peak times.
- The city has received a \$150,000 planning grant to help reduce power usage and promote sustainability measures through the electric utility.
- The city was awarded over \$12,00,000 in grants and other state and federal funding and forgivable loans to construct a new iron removal water treatment facility, expansions and upgrades to the wastewater treatment plant, sewer lining work in low to moderate income neighborhoods, replacement of lead service lines and repainting one of the water towers.
- The City Council approved an agreement to cap cell one without doing the exhumation at the landfill. The city's portion of the funds (\$1,400,000) were received. The funds were allocated to the landfill fund, the police and fire pension funds and to the general fund for work at the PD and Fire Departments.
- The city was awarded a \$1.1 million downtown improvement grant from the state of IL. These funds will be utilized for improvements throughout the downtown corridor.
- The city issued \$2,500,000 in alternate revenue bonds for projects in the downtown TIF. This includes infrastructure work, purchase of property and redevelopment of property.
- Staff budgeted funds to complete the construction of the new substation on the west side of the service territory near the Mighty Vine facility and to secure needed utility easements for this project and the potential for future industrial expansions.
- Staff budgeted funds to replace open positions in the police department.
- The city received a \$950,000 grant to hire three full-time FF/Paramedics. The grant pays for the salary and all benefits of the new hires for three years.
- The city council approved a new organizational structure in the fire department that includes adding the rank of captain.

- The city is working with the Reagan Mass Transit District to begin a new fixed route bus system in Rochelle. Funds are allocated for a one-time contribution to the system.
- Staff continues conservation measures, where possible, to minimize the impact of rising energy costs. City/RMU facilities continue to install LED lighting in buildings and streetlights and is looking at installing solar panels on city/utility facilities. The city is working with both school districts and the park district to install LED lighting in their facilities.
- The Economic Development department is working on multiple prospects that are considering Rochelle due to access to transportation outlets and City-owned railroad system. There are several serious considerations including large scale expansions of two hydroponic facilities and multiple data centers. The city is also renewing its efforts to open more channels of communication with our existing businesses.
- The city is working to expand its partnership with Ogle County and with LCIDA (Lee County Industrial Development Association). In 2024, the city council approved a one-year contract with LCIDA to provide economic development services when current staff retire.
- Major sidewalk, road and storm sewer construction projects are being planned or will be commencing throughout the community.
- Work is completed on Phase I at the new FD/Public Safety/Utility training facility in Rochelle. The city applied for a \$750,000 grant for Phase 2.
- Budgeted funds to complete the remodel of the utility/engineering facility on S 7th Street along with security upgrades at the utility billing office.
- Staff budgeted excess GF reserves to make improvements to the police department. This includes updates to the gun range, restrooms, locker rooms and all new security cameras.
- Staff will continue working with the mayor and city council to find new grant opportunities for expanding programs for our residents.

CONCLUSION

Rochelle has numerous priorities for the coming fiscal year. The city is utilizing general fund balances for building and infrastructure improvements. We are not utilizing fund balances to hire the additional police officers, public works staff and FF/Paramedics. The budget adequately funds the needs of the city and sets the appropriate spending policies of the elected officials. Yet, future year budgets may present the community with challenges. It is anticipated the supply chain issues, and inflation will continue to hamper our efforts to provide quality services.

Of course, the State of Illinois's unfunded mandates and efforts to close Prairie State early are issues we will be facing long-term. Our team will continue to follow these issues to keep you informed and look for ways to cooperate more effectively with other taxing districts, the private sector, and our nonprofit partners to reduce long-term costs and keep tax and utility rates stable.

This budget system allows the city to better prioritize spending based on policies and programs deemed most important by our mayor and city council. Staff will continue to bring ideas to our elected leaders that aid in stabilizing the city budget and growing our community long-term.

Finally, every Department played an important and valuable role in the development of this budget blueprint. Staff has been very helpful and forthright in providing information and suggestions. Finance Director Chris Cardott and her dedicated team were especially helpful in providing needed data and input on building a sustainable budget. The City of Rochelle should be proud of its dedicated employees who understand today's economic environment.