

**ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING**

SUBJECT: Budget Fiscal Year 2026 (Public Hearing and Adoption)

Staff Contact: Jeff Fiegenschuh, City Manager
Matt Hoffman, Finance Director

Summary:

The City of Rochelle held a Committee of the Whole meeting on November 17th to review the Proposed Fiscal Year 2026 Budget. During the meeting, the City Manager presented an overview of the budget and addressed specific questions regarding departmental line items. The City Clerk has published the required Public Hearing Notice for the December 8th City Council meeting, at which public comment will be accepted prior to consideration of the budget. Final action on the FY 2026 Budget must occur on or before December 30, 2025 to comply with statutory filing deadlines with Ogle and Lee Counties.

The Proposed 2026 General Fund includes revenues of \$16,326,475, an increase of approximately 9.8% over the original FY 2025 budget. Expenditures are projected at \$16,603,887, an increase of roughly 8% compared to FY 2025. This results in a projected General Fund deficit of \$277,473. Across all funds combined – General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Trust and Agency Funds and Capital Project Funds – the Proposed FY 2026 Budget includes revenues of \$103,796,610 and expenditures of \$120,019,874.

Illinois statutes require a public hearing to allow residents an opportunity to comment on the proposed budget. Following the hearing, the Council may return to regular session to consider any amendments. Each amendment requires a separate vote. The final amended budget will then be presented for adoption by the Council.

Strategic Plan Goal Application:

Maintain Fiscal Stability & Balanced Budget – Short Term Routine