

# CITY OF ROCHELLE

## 2020 BUDGET WORKSHOP

November 18, 2019



# The City of Rochelle's Strategic Plan is guided by three fundamental elements:



Our Mission



Our Vision



Our Core Values

---

# OUR VISION

A vibrant community where all  
can thrive.



---

# OUR MISSION

To provide a safe, connected and innovative community with professional, personalized and impartial services.



# Our Values

## Economic and Business Development

means we create a simplified range of opportunities for all types of business recruitment and retention. We value strong collaborations with elected officials and regional economic development organizations to promote and market the region for industrial and commercial growth.

## Financial Management and Stability

means we believe integrity, fiscal responsibility, and the prudent stewardship of public funds is essential for citizen confidence in government. We are committed to attainable performance measures based on a secure strategic plan.

## Community Inclusivity and Engagement

means we value the cultural and social diversity that is reflected in our community. We welcome the changes and new perspectives that this diversity brings.

## Infrastructure Effectiveness and Improvement

means we provide a maintained and reliable infrastructure for all members of the community while continuing to find innovative ways to improve the delivery of services.

## Core Service Delivery

means we encourage employees to exercise independent judgment in meeting customer needs through professional behavior. We support continuing education and training for all staff members.



# OUR VALUES EXPLAINED

## Economic and Business Development

Capable | Business-friendly | Growing | Intentional

## Financial Management and Stability

Transparent | Stable | Accountable | Stewards

## Community Inclusivity and Engagement

Individuals | Respectful | Compassionate | Ethical

## Infrastructure Effectiveness and Improvement

Affordable | Local | Sustainable | Strategic Planners

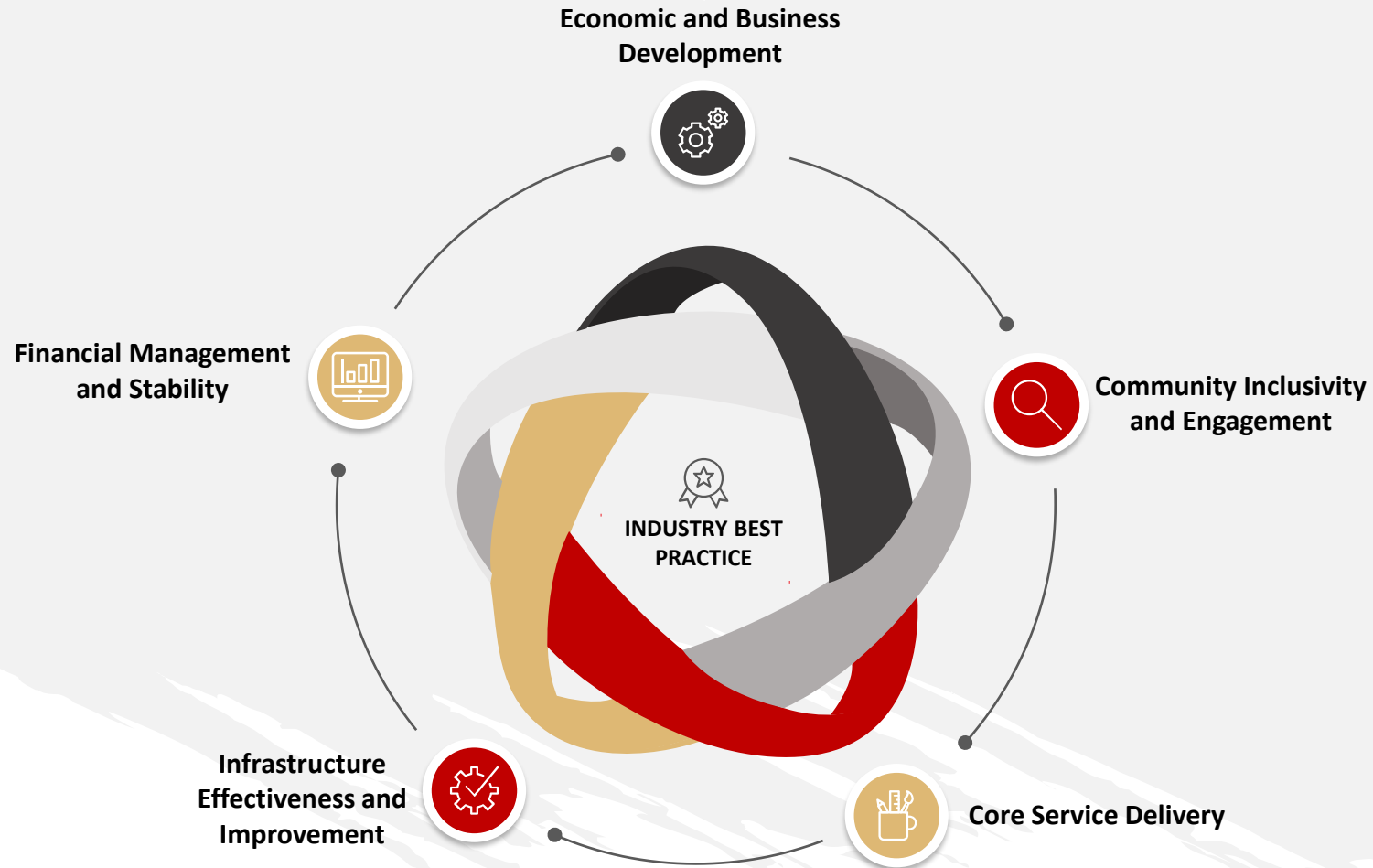
## Core Service Delivery

Proactive | Servants | Best Practices | Dedicated



# Our Mission Statement is based on the principles of high quality and continuous improvement.

It sets the City's culture and is based upon the 5 Strategic Goal Priorities.



---

# GENERAL FUND

The General Fund is the operating fund for the following Departments:

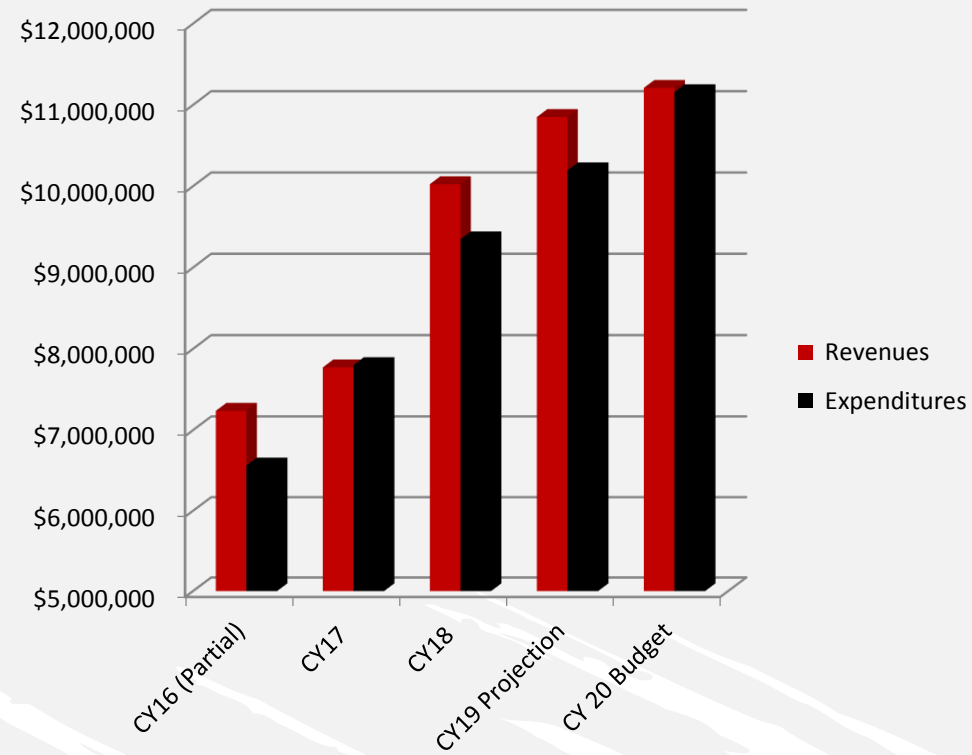
Police | Fire | City Clerk  
Community Development | Streets & Cemetery  
Engineering | Economic Development | Administration

Taxes and transfers are the primary sources of revenue.

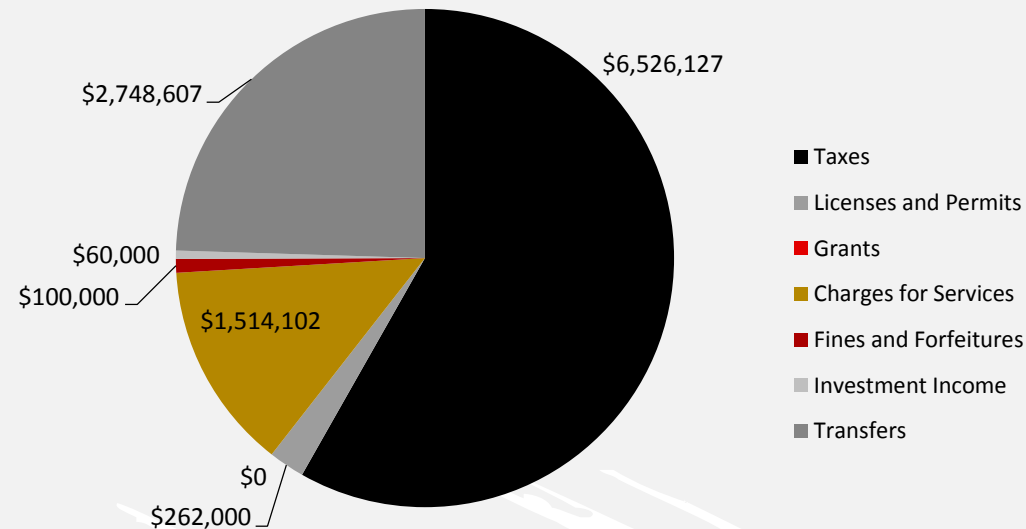




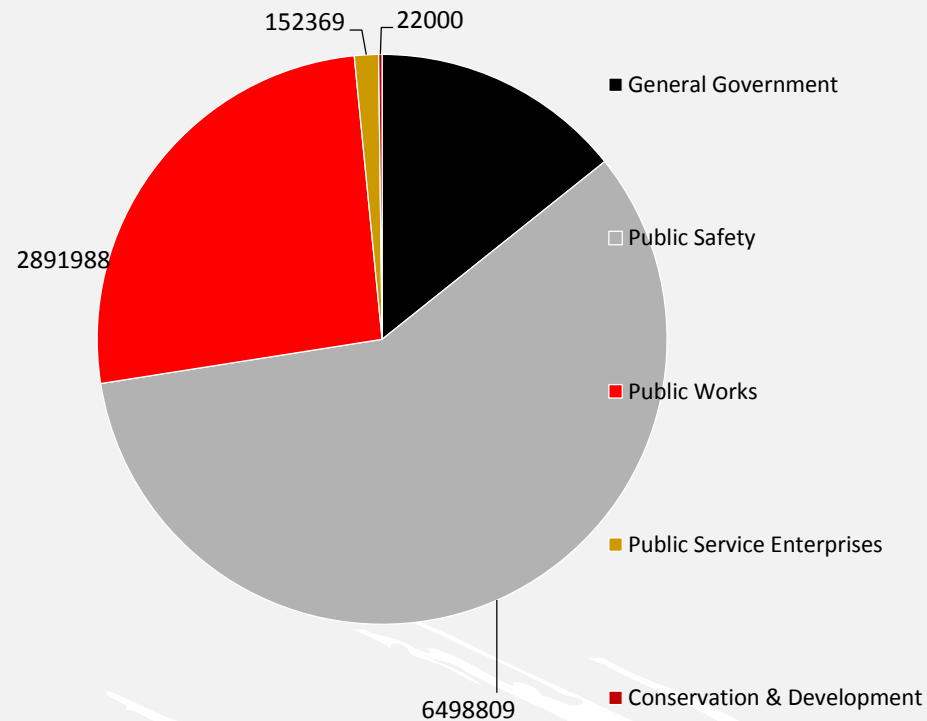
# GENERAL FUND REVENUES & EXPENSES



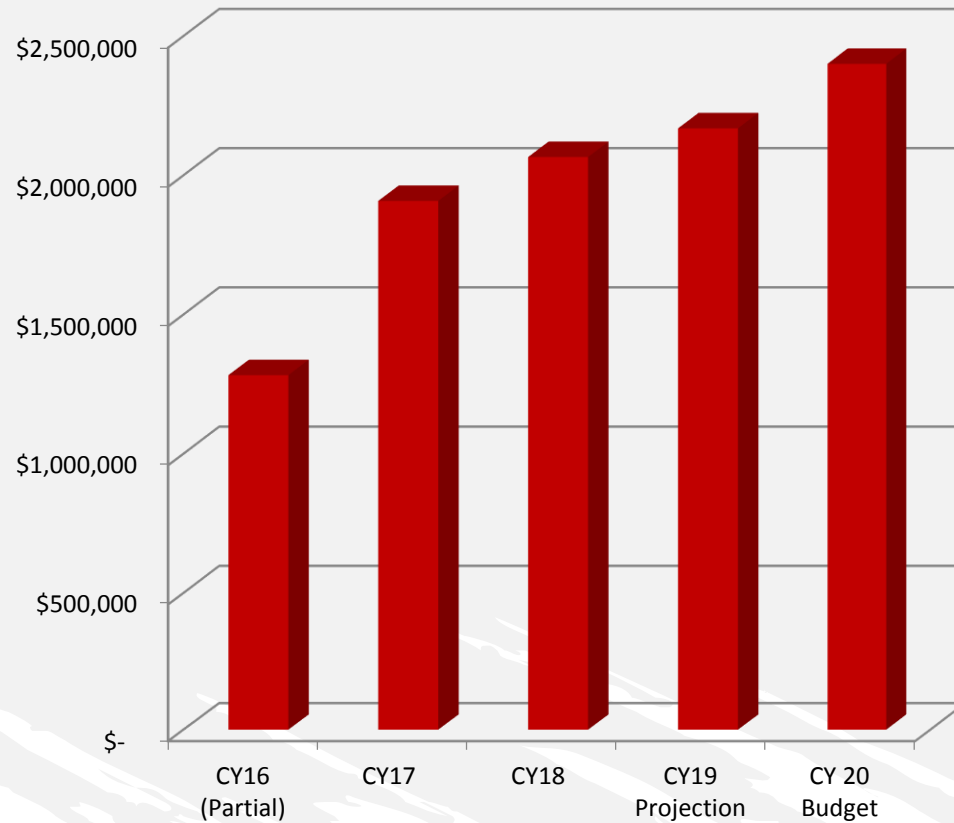
# 2020 GENERAL FUND REVENUES – \$11,210,836 (PROPOSED)



# 2020 GENERAL FUND EXPENDITURES

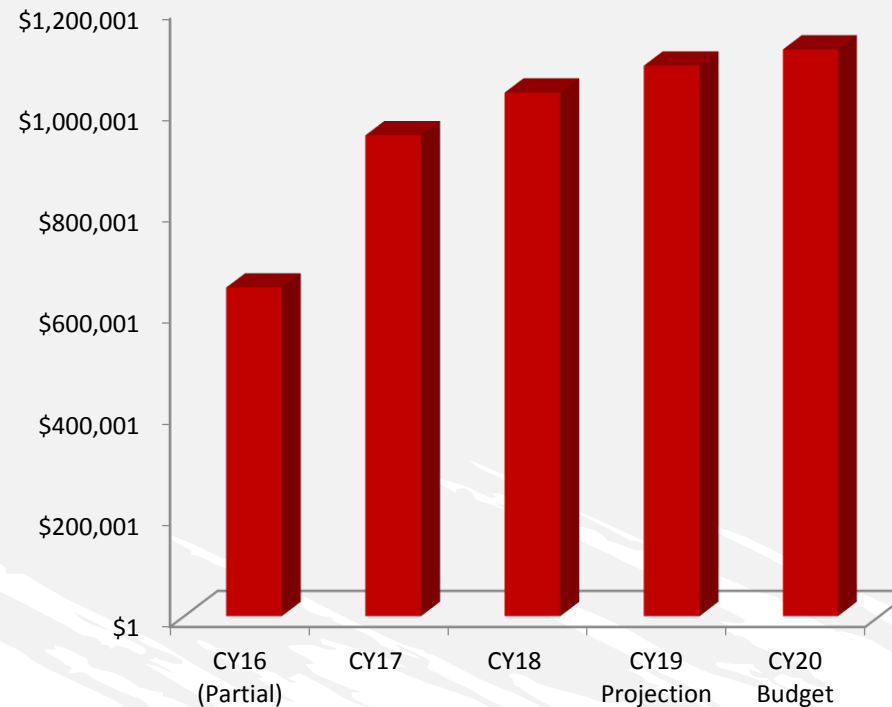


# SALES TAX - \$2,400,000



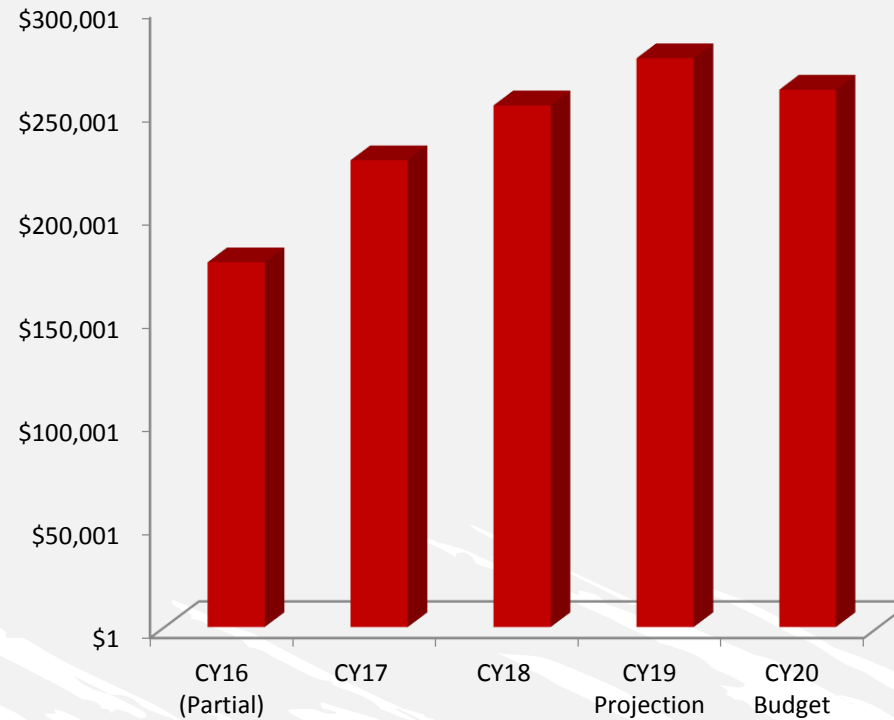
---

# NON-HOME RULE SALES TAX – \$1,118,000

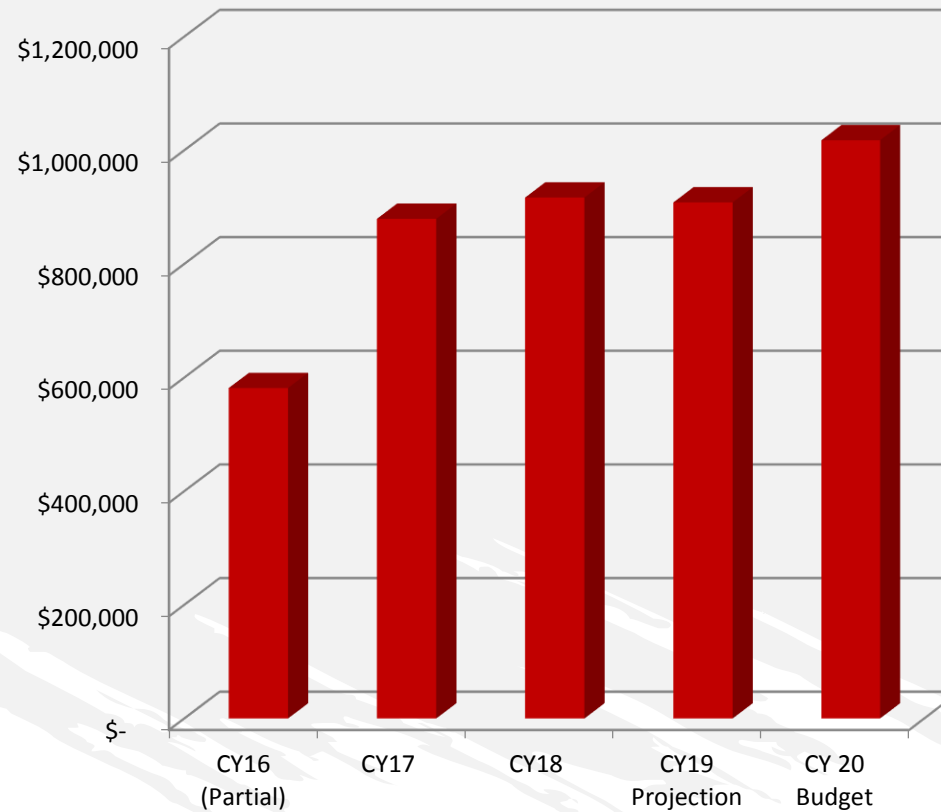


---

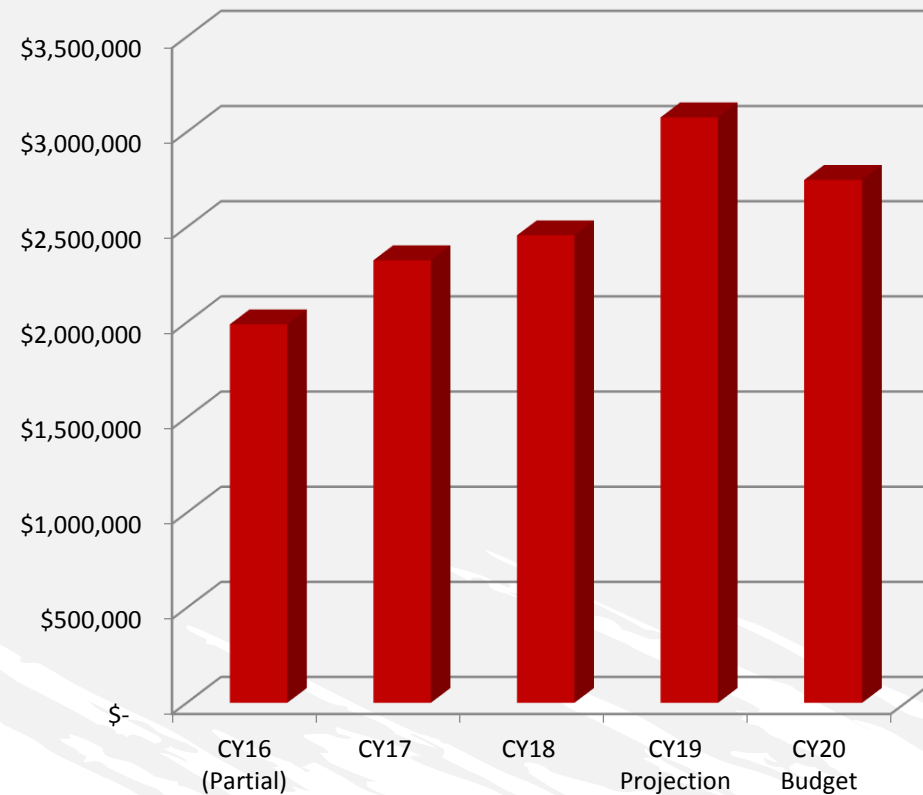
# HOTEL-MOTEL TAX - \$260,000



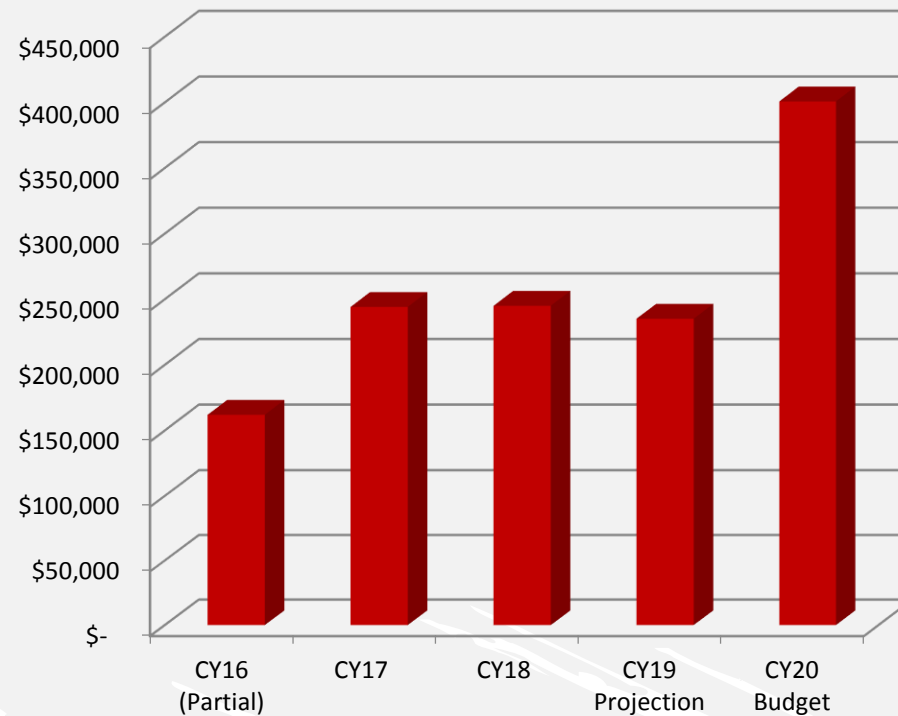
# LGDF HISTORY (INCOME TAX) – \$1,017,716



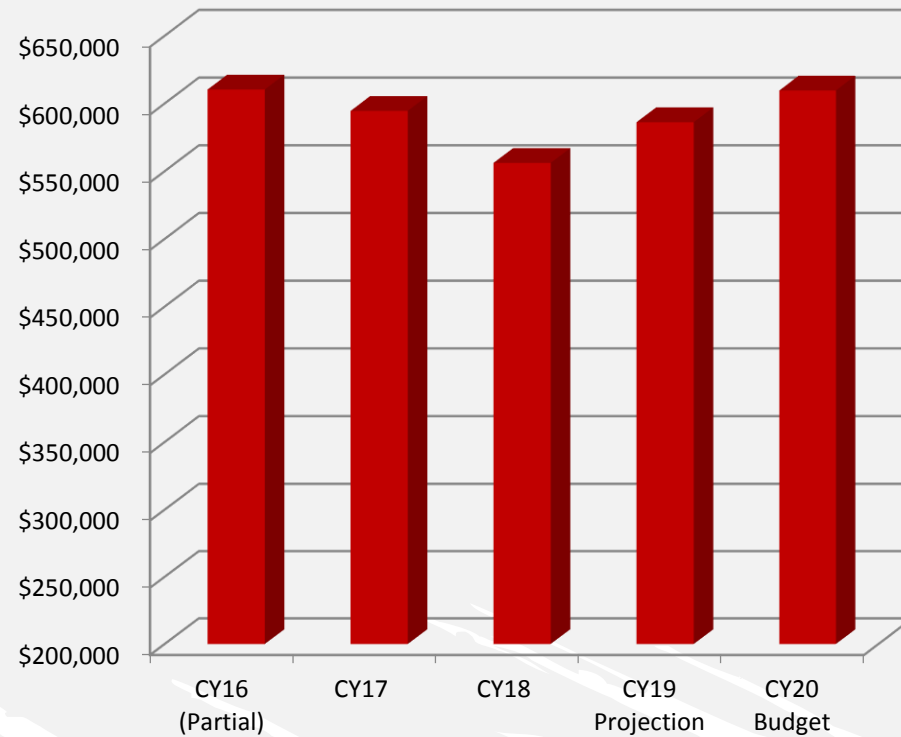
# TRANSFERS-IN TO CORPORATE – \$2,748,607



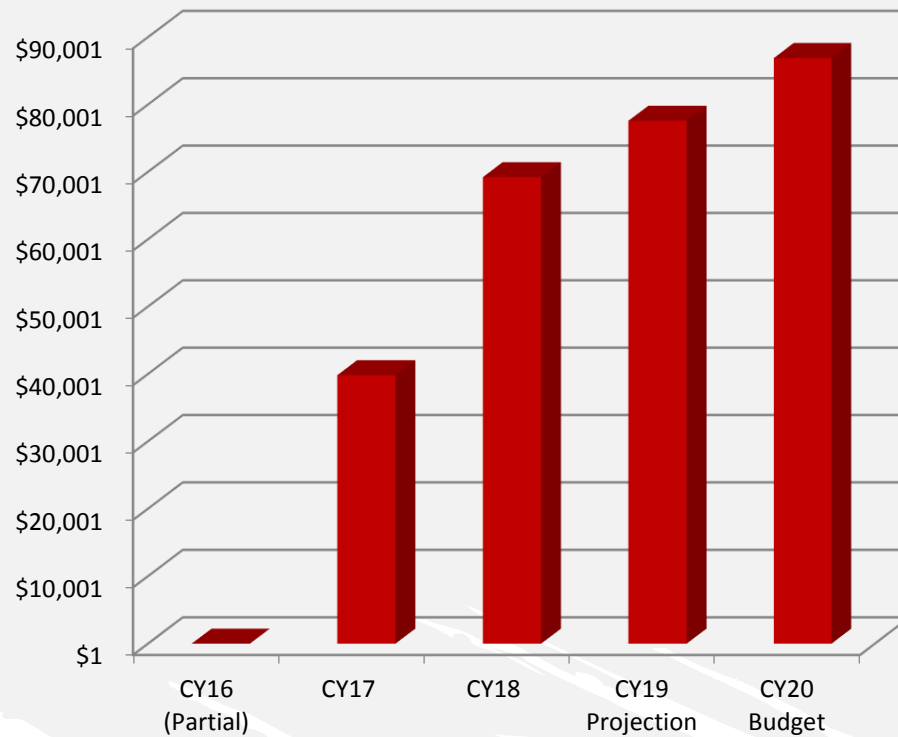
# MFT TAX RECEIPTS - \$400,800



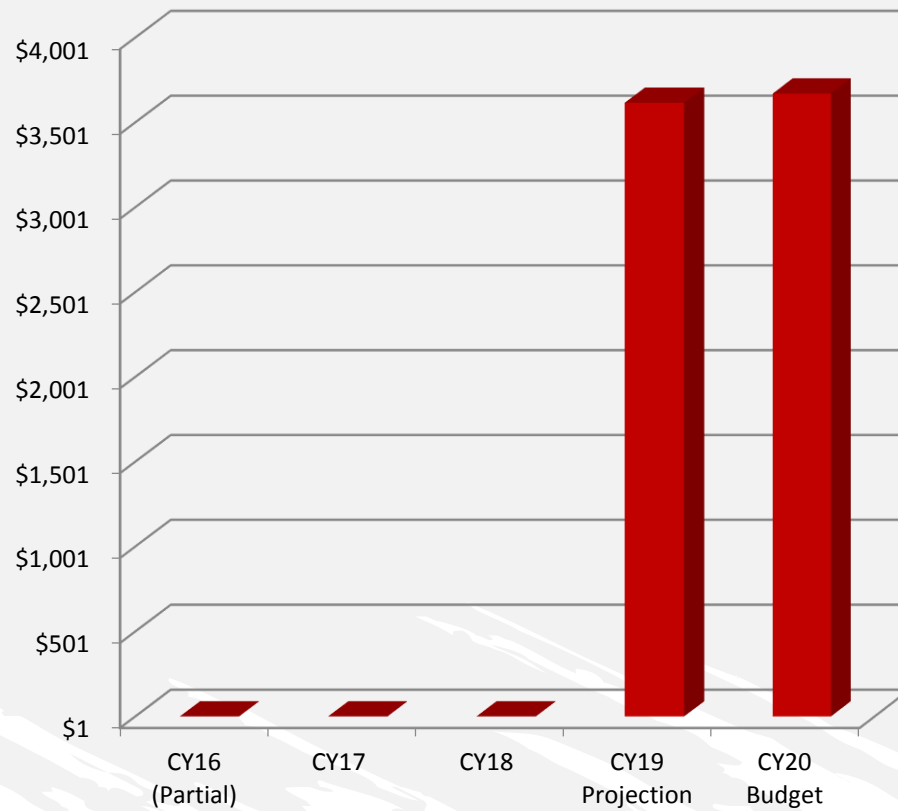
# LIGHTHOUSE POINTE TIF - \$609,591



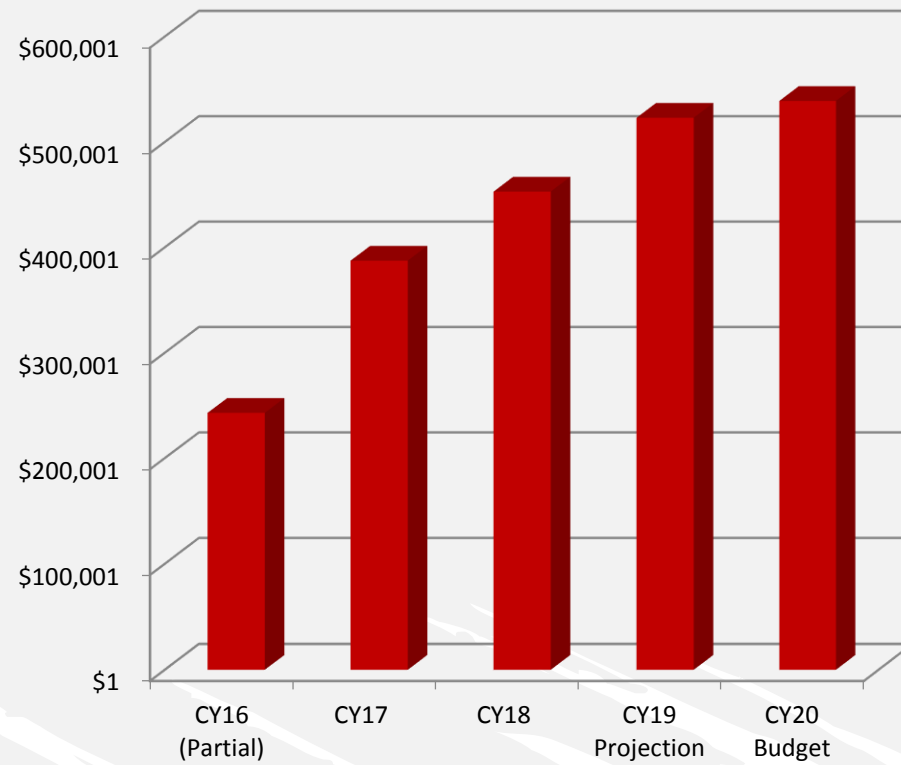
# DOWNTOWN TIF - \$86,896



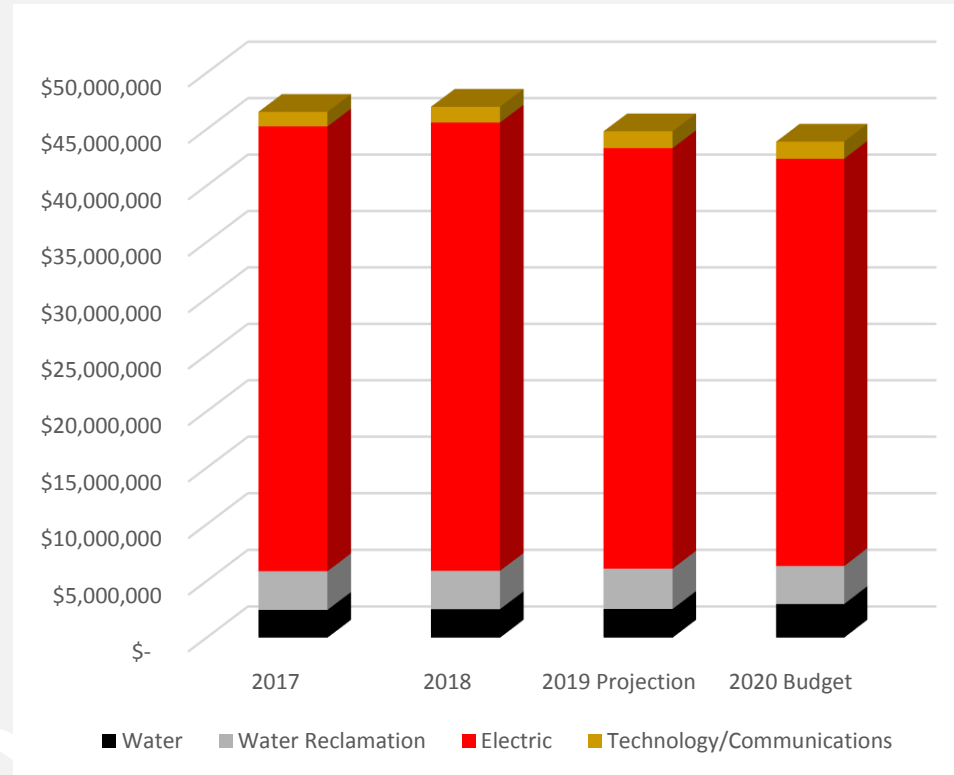
# NORTHERN GATEWAY TIF – \$3,671



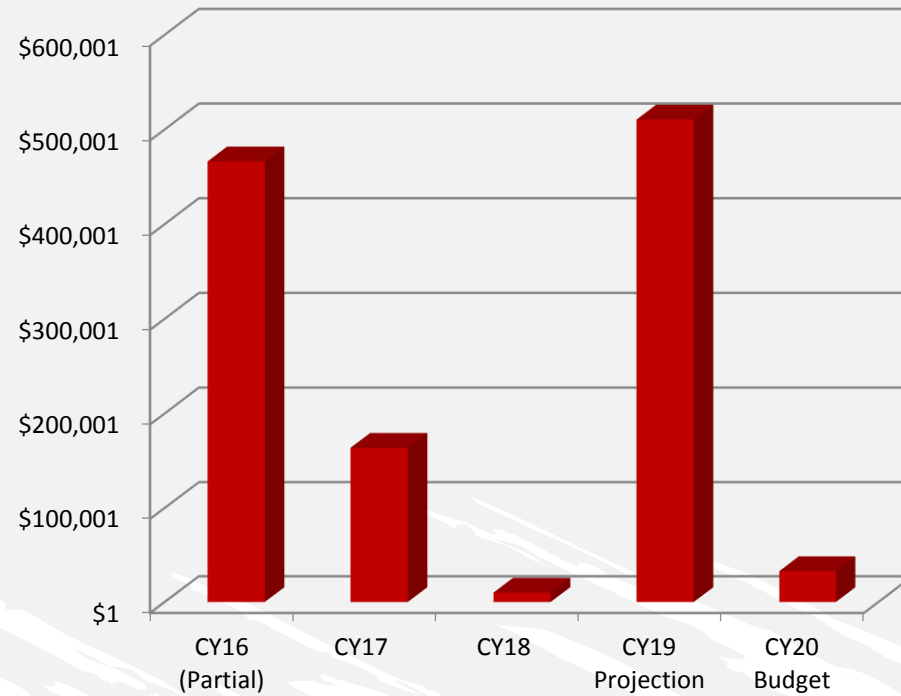
# UTILITY TAX - \$539,000



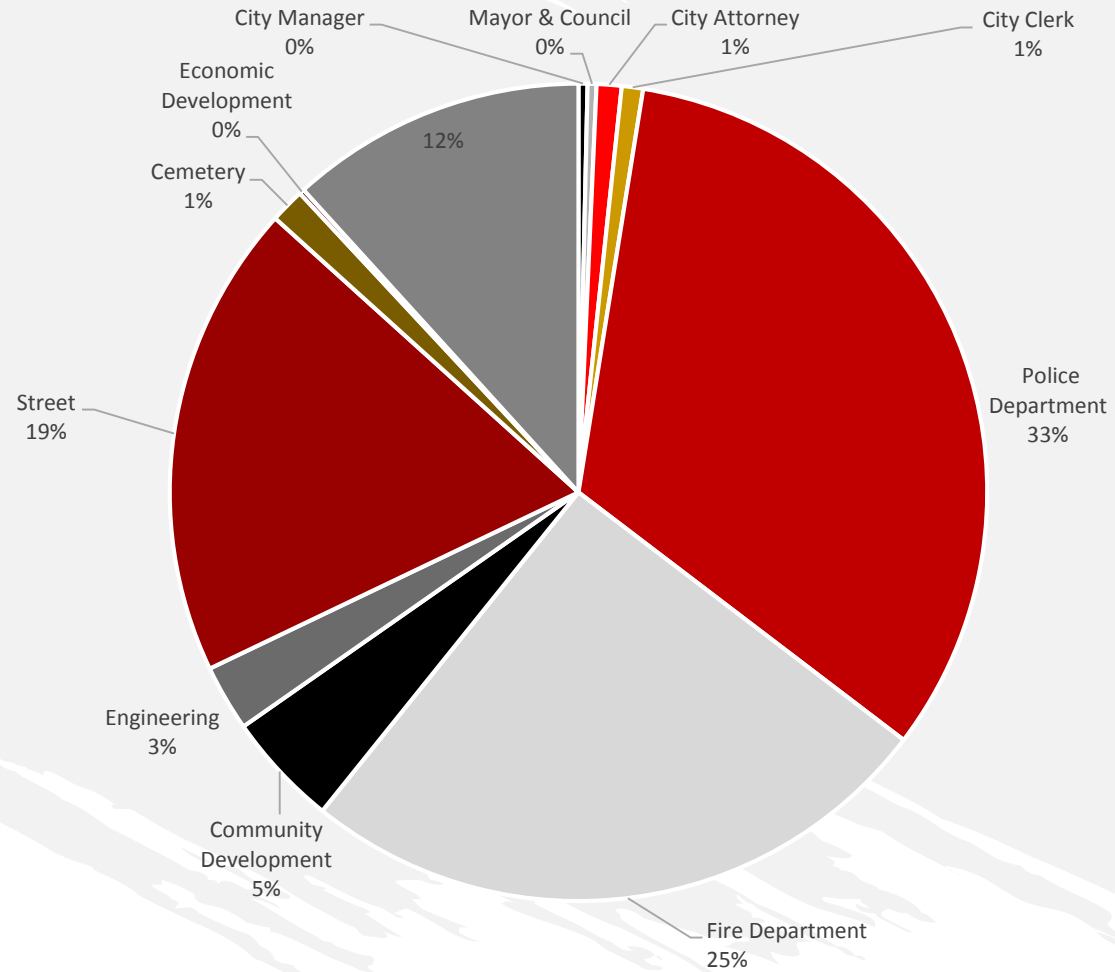
# UTILITY REVENUES FROM OPERATIONS



# SOLID WASTE TRANSFER TO GENERAL FUND



# EXPENSES BY DEPARTMENT



# GENERAL FUND COMPARISION

	2019 Budget	2020 Budget	% Change
<b>General Fund</b>			
Revenues	\$10,992,833	\$11,210,836	2%
Expenditures	\$10,992,296	\$11,158,089	2%
<b>Mayor &amp; Council</b>			
Expenditures	\$ 40,150	\$ 39,800	(1%)
<b>City Manager</b>			
Expenditures	\$ 29,900	\$ 39,150	31%



# GENERAL FUND COMPARISION

	2019 Budget	2020 Budget	% Change
<b>City Clerk</b>			
Revenues	\$ 106,386	\$ 93,916	(12%)
<b>Police Department</b>			
Expenditures	\$3,445,813	\$3,662,378	6%
<b>Fire Department</b>			
Expenditures	\$2,803,386	\$2,836,431	1%



# GENERAL FUND COMPARISION

	2019 Budget	2020 Budget	% Change
<b>Community Development</b>			
Revenues	\$ 539,159	\$ 503,798	(7%)
<b>Engineering</b>			
Expenditures	\$ 369,041	\$ 291,152	(21%)
<b>Street Department</b>			
Expenditures	\$1,742,013	\$2,097,038	20%



# GENERAL FUND COMPARISON

	2019 Budget	2020 Budget	% Change
<b>Cemetery</b>			
Expenditures	\$ 148,269	\$152,369	3%
<b>Municipal Building</b>			
Expenditures	\$1,622,739	\$1,310,057	(19%)



# EXTERNAL DEBT OUTSTANDING

Outstanding Debt	As of 1/1/20	Principal Payments	As of 12/31/20
<b>Electric</b>	\$13,265,000	\$ 650,000	\$12,615,000
<b>Technology Center</b>	\$ 2,765,000	\$ 275,000	\$ 2,490,000
<b>Water Reclamation</b>	\$ 265,648	\$ 32,626	\$ 233,022
<b>Airport</b>	\$ 480,000	\$ 40,000	\$ 440,000
<b>Lighthouse Point TIF</b>	\$ 2,625,000	\$ 145,000	\$ 2,480,000



# EXTERNAL DEBT OUTSTANDING

Outstanding Debt	As of 1/1/20	Principal Payments	As of 12/31/20
General Fund – Quiet Zone	\$ 1,320,000	\$ 165,000	\$ 1,155,000
General Fund – Capital Improvement	\$ 4,500,000	\$ 485,000	\$ 4,015,000
General Fund – Fire Department	\$ 350,000	\$ 24,115	\$ 325,885
General Fund – Street Department	\$ 248,973	\$ 86,802	\$ 162,171
Water	\$ 5,354,765	\$ 235,666	\$ 5,119,099
<b>TOTAL</b>	<b>\$31,174,386</b>	<b>\$ 2,139,209</b>	<b>\$29,035,177</b>



---

# CITY FULL-TIME EMPLOYEES

General Fund	60 Full-Time Employees
Internal Service	11 Full-Time Employees
Enterprise Funds	40 Full-Time Employees



**111 Full-Time Employees**

---

# LABOR EXPENSES

Full-Time Employees - Non-union labor costs have been budgeted for based on compensation study. Average increase 2.75%.

Legal fees remain flat. Some legal fees reimbursed by developers.



---

# STAFFING CHANGES

Three vacant positions will be filled in the General Fund.

Electric Superintendent retiring. Adam Lanning will serve as Utility Superintendent.





# COMMUNITY RELATIONS - HOTEL/MOTEL FUND

## Revenue Sources:

- Hotel/Motel Taxes-5% of local hotel stays
- Railfan Park Gift Shop Merchandise Proceeds

## Grant Applications:

- \$25,000 Tourism Attraction Grant – Updating siding, bathrooms, and doors at Railroad Gift Shop
- \$10,000 Marketing Partnership Grant – Billboard, Rack Card Distribution, Website, Visitors Guide

## Special Projects:

- Peace Corps Fellow, Bollards, Entrance Signs, Information Kiosks, Overpass Mural
- The Spark Community Initiative

## Community Events:

- Irish Hooley, Cinco de Mayo, Downtown Block Party, Farm-to-Table Dinner, Hay Day, Outdoor Markets, Movie in the Park, Fiesta Hispana, Supper & Song, Family Swim Night, Lincoln Highway Heritage Festival



---

# COMMUNITY RELATIONS

- InVironments Magazine Advertising
- Outdoor Market Booth
- All-Resident Mailer
- Social Media Advertising
- Newspaper & Radio Advertising



---

# GENERAL FUND COMMUNITY CONTRIBUTIONS

- Annual Fireworks \$12,000
- Municipal Band Performances \$14,000
- Senior Center Pledge \$12,500 (RMU \$12,500)
- Rochelle Rescue Mission \$2,500 (RMU \$2,500)



# COMMUNITY DEVELOPMENT

- **Update of City Codes and Ordinances - \$50,000**
- Expansion of City-Wide Façade Program - \$30,000
- Wayfinding/Parking Lot Signs
- Blade Sign Program
- Tree Replacement



---

# DOWNTOWN REVITALIZATION

- Hanging Baskets for Entryways (\$15,000)
- Whimsical Benches (\$10,000)
- Games Around the Gazebo



# ENTERPRISE LEASE PROGRAM

2020 Vehicle	Department	Annual Lease Payment
Chevy 1500 WT 4x4 Crew Cab	Street	\$ 6,247.20
Chevy 1500 WT 4x4 Double Cab	IT	\$ 5,654.76
Chevy 1500 WT 4x4 Double Cab	IT	\$ 5,654.76
Chevy 1500 WT 4x4 Double Cab	Water	\$ 5,654.76
Chevy 2500 WT 4x4 Double Cab	Diesel	\$ 6,390.24
Chevy 2500 WT 4x4 Regular Cab	Water	\$ 8,219.64
Chevy 2500 Chassis WT 4x4 Crew Cab	Street	\$ 7,703.64



# ENTERPRISE LEASE PROGRAM

2020 Vehicle	Department	Annual Lease Payment
F150 XL 4x4 Super Cab	Electric	\$ 5,674.92
F350 XL 4x4 Regular Cab	Street	\$ 8,090.64
Ford Interceptor Utility	Patrols	\$11,692.92
Ford Interceptor Utility	Patrols	\$11,692.92
Ford Interceptor Utility	Patrols	\$11,692.92
Ranger XL 4x4 Super Cab	Community Development	\$ 5,573.76



---

# VEHICLE PURCHASES

Department	Capital Outlay	Budget
Street Department	Utility Tractor Replacement	\$ 27,900
Street Department	Compact Track Loader Replacement (2)	\$ 80,450
Fire Department	Ambulance	\$200,000



# EQUIPMENT PURCHASES

Department	Capital Outlay	Budget
Municipal Building	Handicap entrance doors	\$ 50,000
	LED Sign	\$ 30,000
Police	Software/Data Conversion	\$ 52,452
Fire	Exterior Doors, Parking Lot Repaving, West Side Concrete	\$ 63,000
Street Department	Asphalt Repair Machine	\$ 75,500



# CAPITAL IMPROVEMENT FUND PROJECTS

Description	Amount
2015 Bond Payment QZ (RR Fund)	\$ 210,300
2018 Bond Payment CIP \$4.5M	\$ 642,425
Building	\$ 55,000
Equipment – Street Department	\$ 65,000
Miscellaneous Right-of-Way Acquisitions	\$ 92,000
MFT EDP South Main Street Improvements Sec #12-00112-00FP (PE and CE) Phase 1	\$ 3,605,000
City-Wide Storm Sewer and Drainage Structure Improvements PH1 (SD)	\$ 675,000



# CAPITAL IMPROVEMENT FUND PROJECTS

Description	Amount
4 <sup>th</sup> Ave 6 <sup>th</sup> St to Kyte River Storm Sewer and Drainage Improvements (PE1 MYP)	\$ 1,350,000
Steward Road Widening & Resurfacing East of Loves Dev Site (City Participation)	\$ 55,000
7 <sup>th</sup> Ave Bridge over Kyte River and Related Approach Street Improvements (PE and CE PH 1)	\$ 1,220,000
2 <sup>nd</sup> Ave S 12 <sup>th</sup> to 14 <sup>th</sup> St Urbanization and Reconstruction	\$ 470,000
Dement Rd Overpass Approach/Pavement Rehabilitation & Drainage Culvert Improvements	\$ 130,000
Washington St / 1 <sup>st</sup> Ave Parking Lot Reconstruction	\$ 148,000
MFT Misc St Treatments Sec #20-00000-00GM	\$ 225,000



# CAPITAL IMPROVEMENT FUND PROJECTS

Description	Amount
1 <sup>st</sup> Ave Bridge Over Kyte (Scour Protection)	\$ 17,000
2 <sup>nd</sup> Ave Washington to Rte 251 Overpass Reconstruction	\$ 348,000
Traffic Signalization & Other Intersection Improvements at IL Rte 251/Steward Road	\$ 125,000
5 <sup>th</sup> Ave, Rte 251 to Lincoln/6 <sup>th</sup> St, 5 <sup>th</sup> Ave to 4 <sup>th</sup> Ave Resurfacing Sidewalk Ramps	\$ 304,000
Sidewalk/Pedestrian Paths – Annual Program TBD	\$ 336,000
General Maintenance – Other, Pavements, Sidewalks, Storm Sewer	\$ 120,000
Other Street/Alley Improvements – HMA Surface, Pavement Striping, Curb & Gutter Replacement	\$ 180,000



---

**TOTAL CAPITAL OUTLAY**

**\$10,372,725**



---

# REVENUE ENHANCEMENT RECOMMENDATIONS

- Possible referendum for .25% increase in the non-home rule sales tax to fund Police/Fire pensions and property tax relief.
- Staff will recommend a three-year water rate increase in December/January to fund infrastructure improvements.
- Continue to promote growth that leads to additional EAV, sales tax collections and utility revenues.



---

# ENTERPRISE FUNDS





---

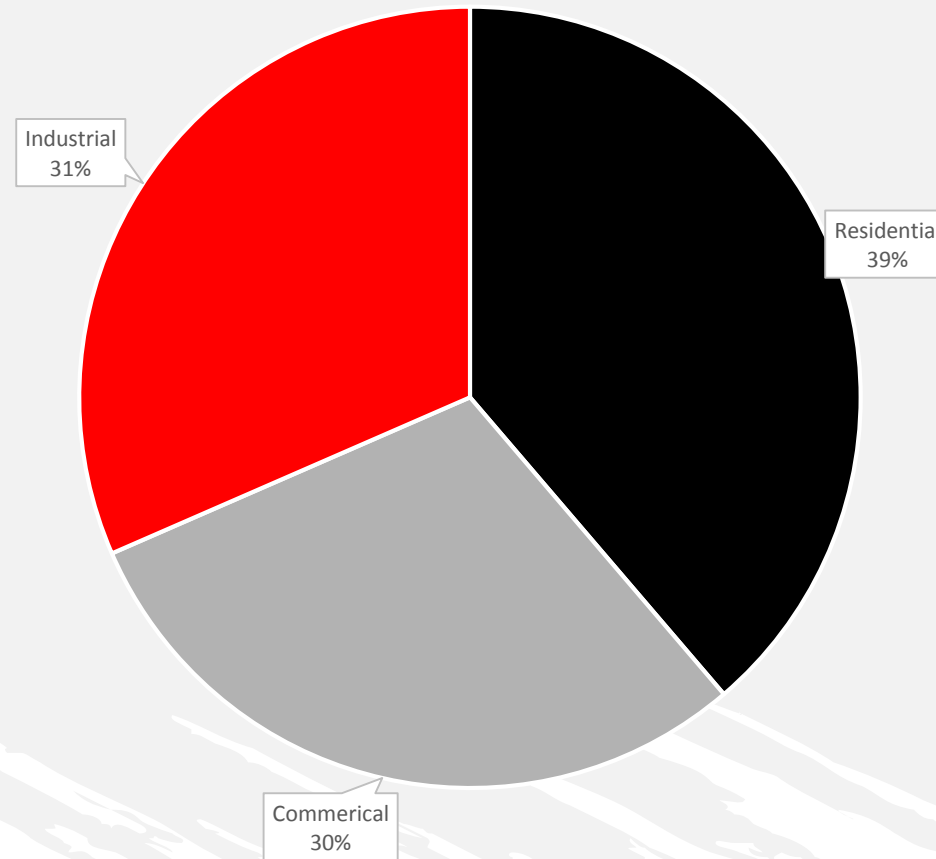
# REVENUES & INVESTMENTS – WATER & WATER RECLAMATION

- The combined Water & Water Reclamation Fund revenues are up slightly over previous calendar year.
- Staff is recommending a three-year water rate increase to fund increased infrastructure investments.
- All projects will be funded through ILEPA loans and cash, including completion of Wells 12 and 4 and updates to Well 8.

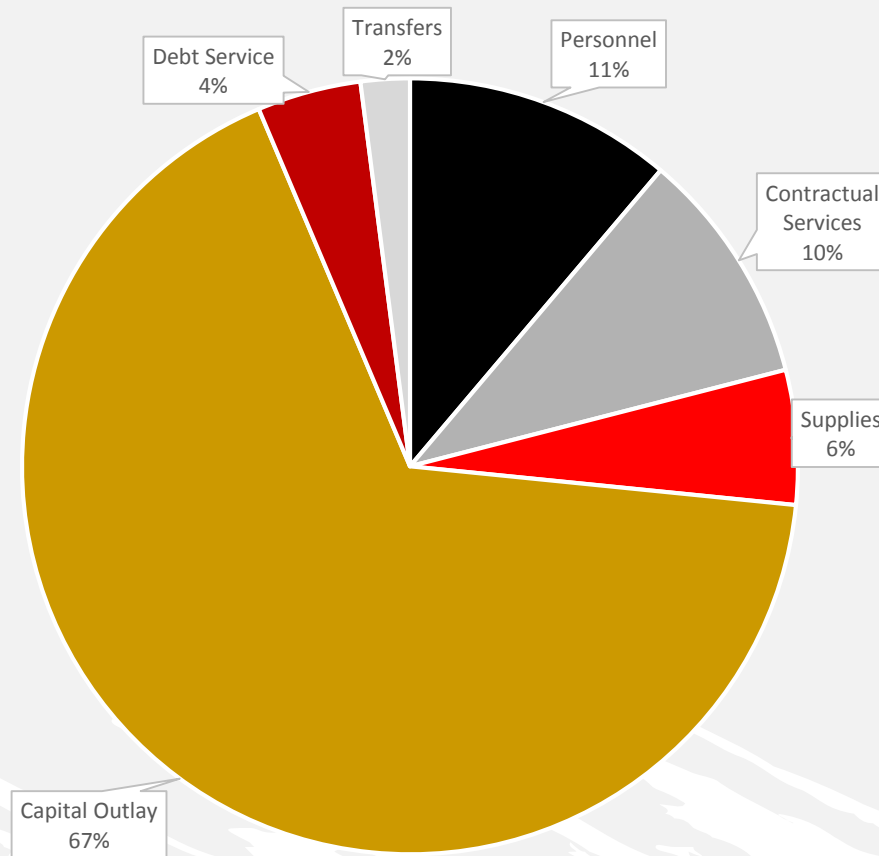


---

# WATER REVENUES - \$5,975,904

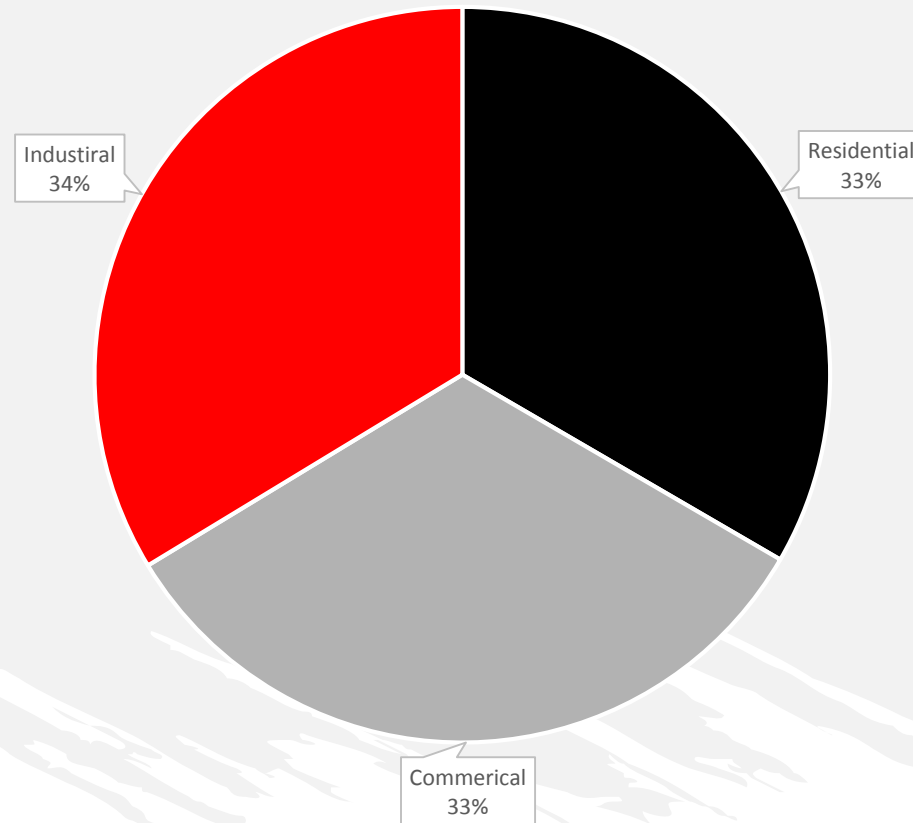


# WATER EXPENSES - \$7,233,800

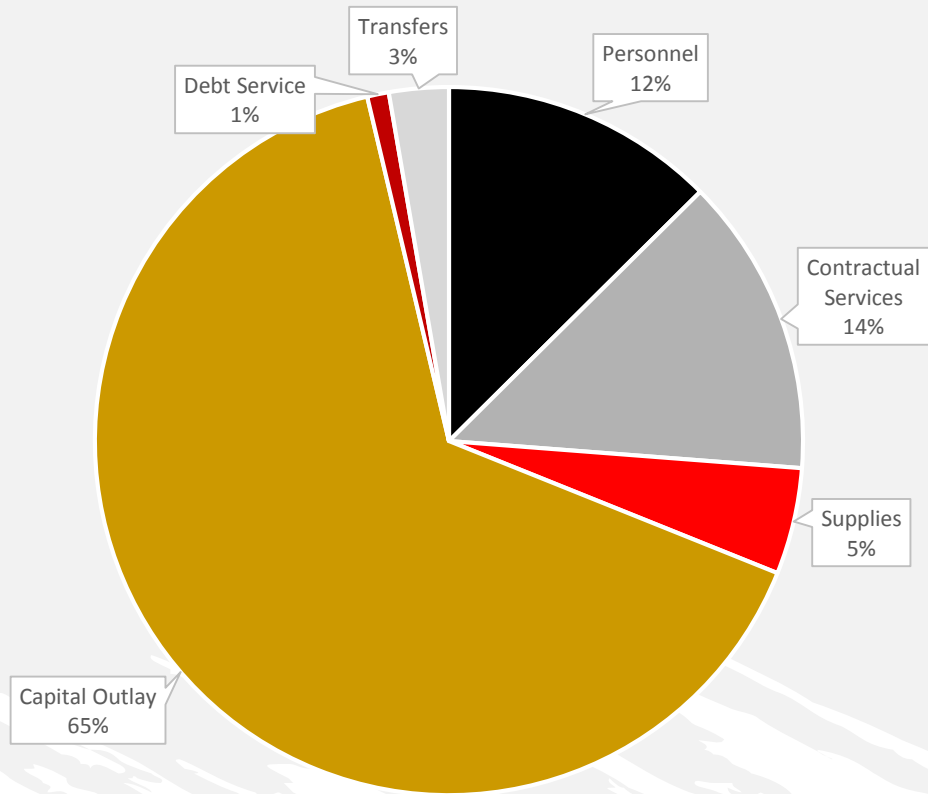


---

# WATER RECLAMATION REVENUES - \$6,915,262



# WATER RECLAMATION EXPENSES - \$7,095,321



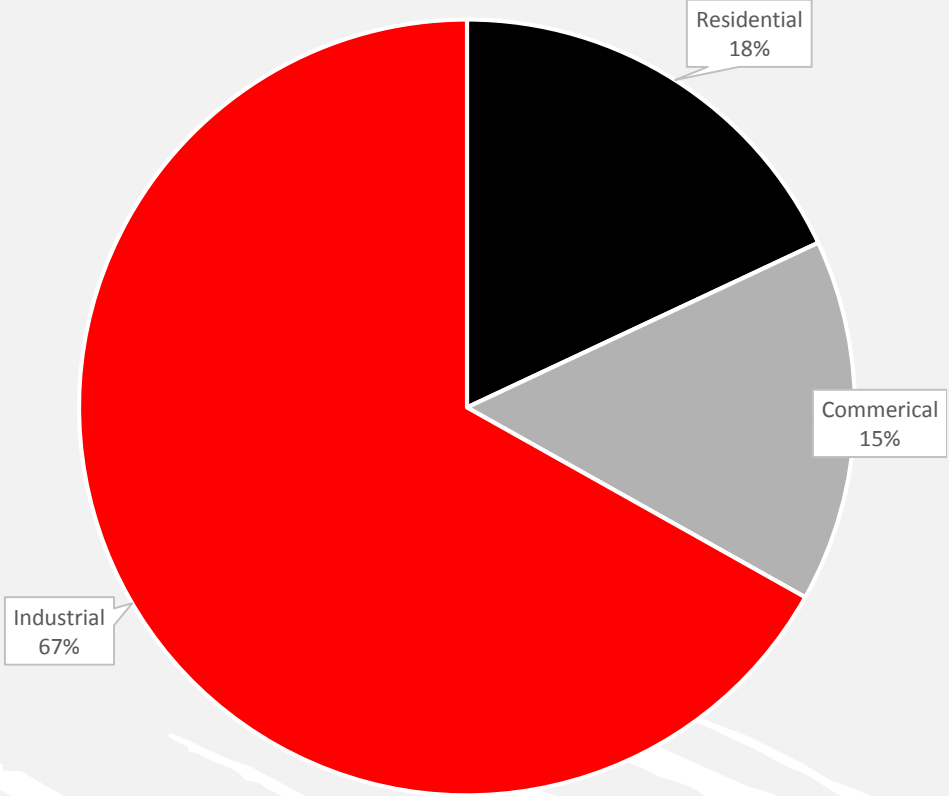
---

# REVENUES-ELECTRIC

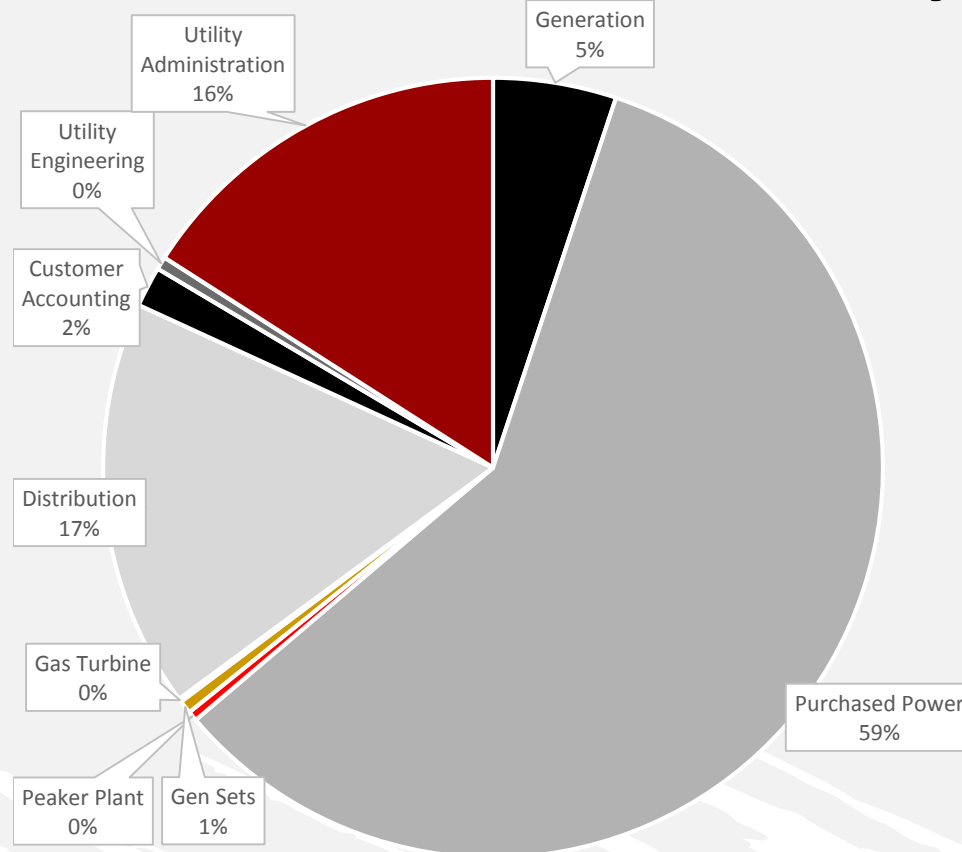
- The Electric Fund covers all costs associated with the purchase, transmission and distribution of electricity to all properties within the utility's service territory.
- FY 2020 Revenue Estimate \$36,067,313
- Decrease from FY 19 due to lower power cost adjustment (8 months at \$0.00).
- Transmission sale is to be completed 1<sup>st</sup> quarter 2020.
- 58% of budget is dedicated to power purchase costs.
- Days cash on hand has increased from 16 days (2016) to 115 days (current).



# ELECTRIC REVENUES - \$36,067,313



# ELECTRIC EXPENSES - \$36,654,941



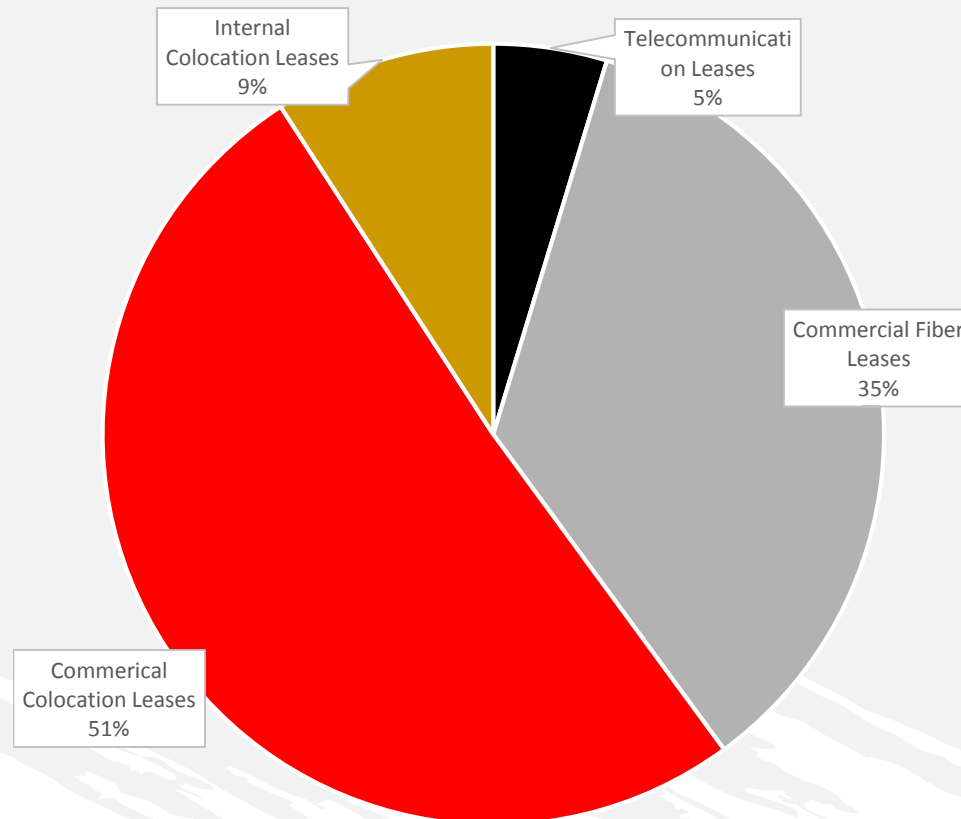
---

# REVENUES-TECHNOLOGY CENTER & ADVANCED COMMUNICATIONS

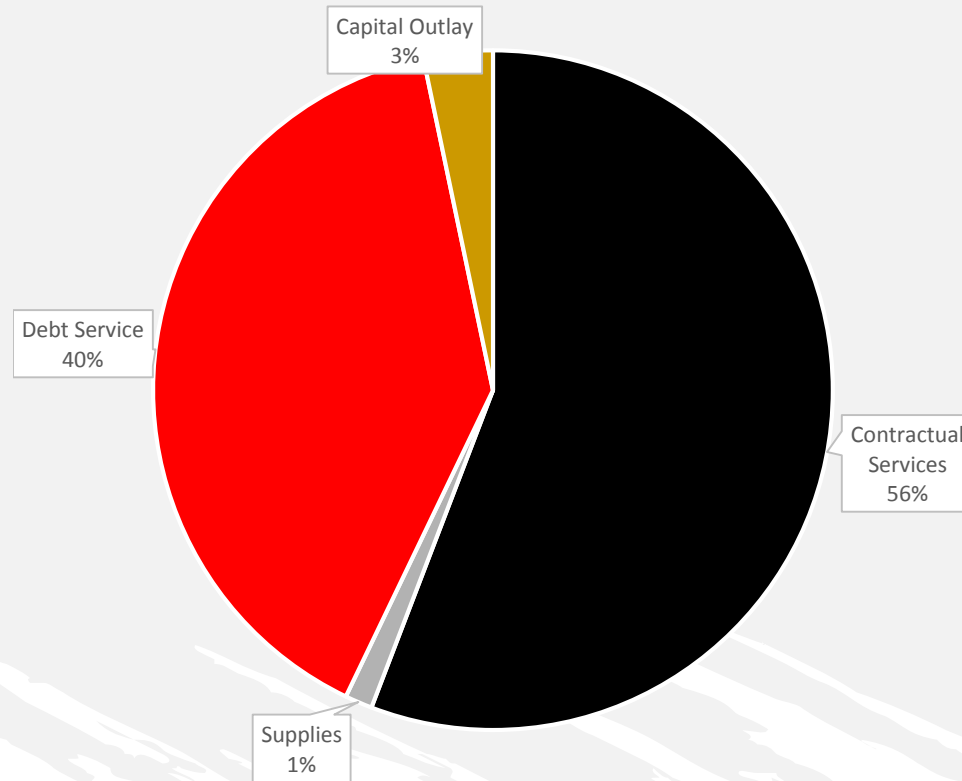
- The funds were established to document the revenues associated with the development of the Technology Center and the Advanced Communications System.
- Revenues include leases for rack and colocation space, fiber, dark fiber and internet services.
- Fund is estimated to generate revenue in excess of expenses.



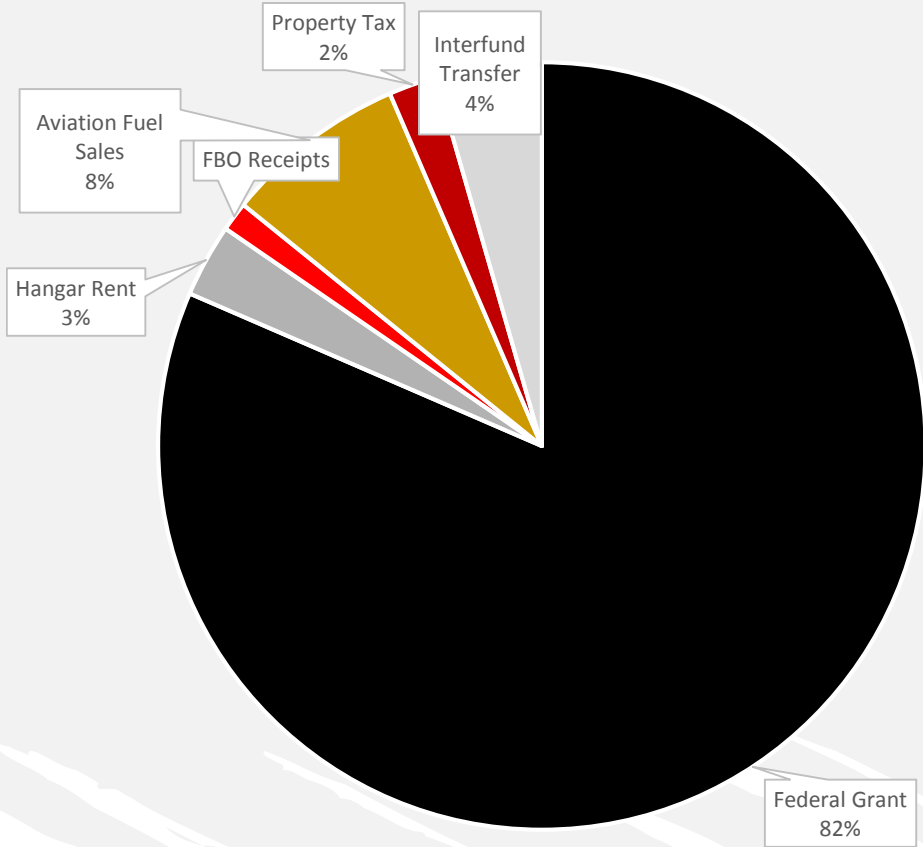
# TECHNOLOGY CENTER REVENUES - \$1,517,100



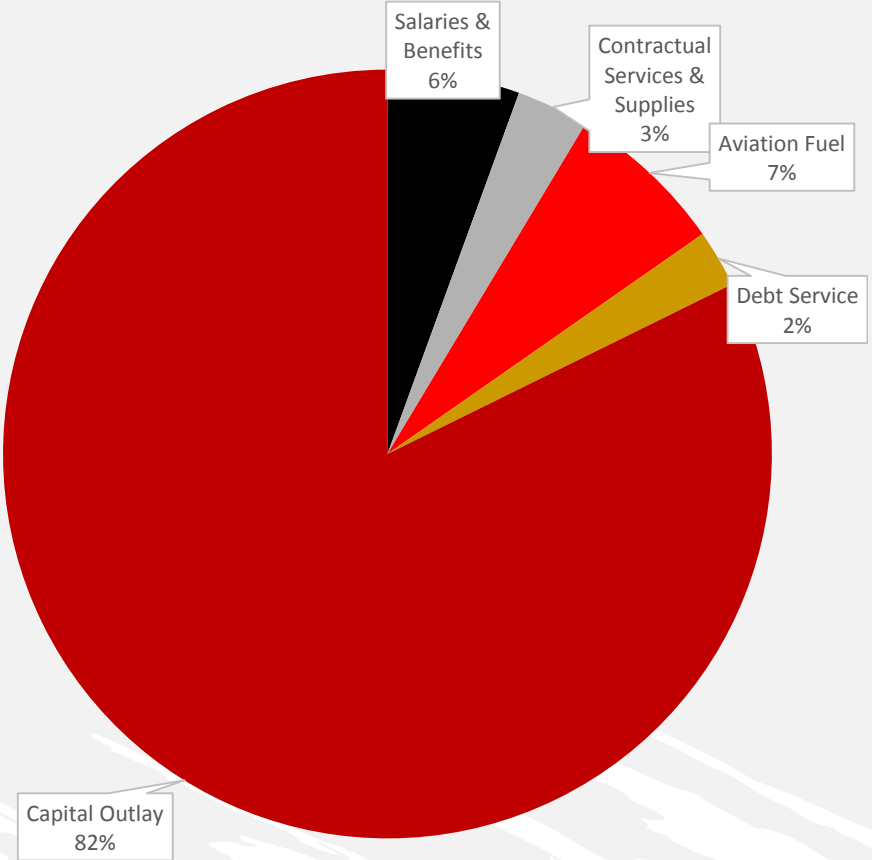
# TECHNOLOGY CENTER EXPENSES – \$1,142,770



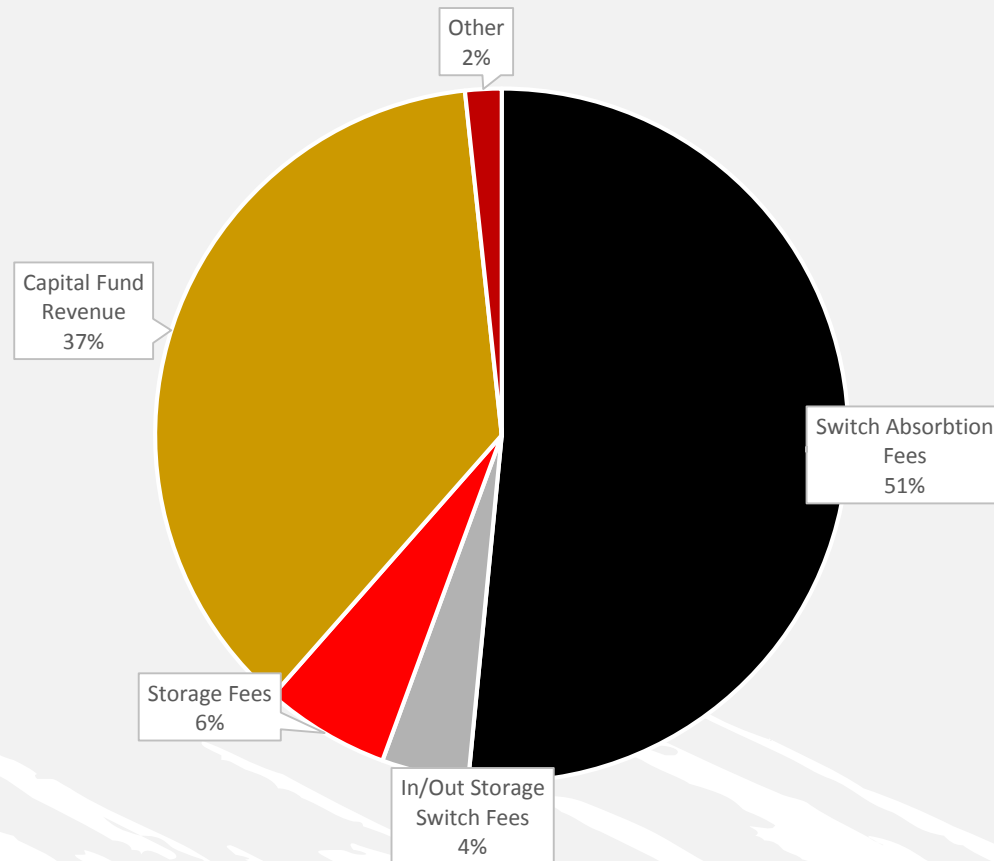
# AIRPORT REVENUES - \$2,570,065



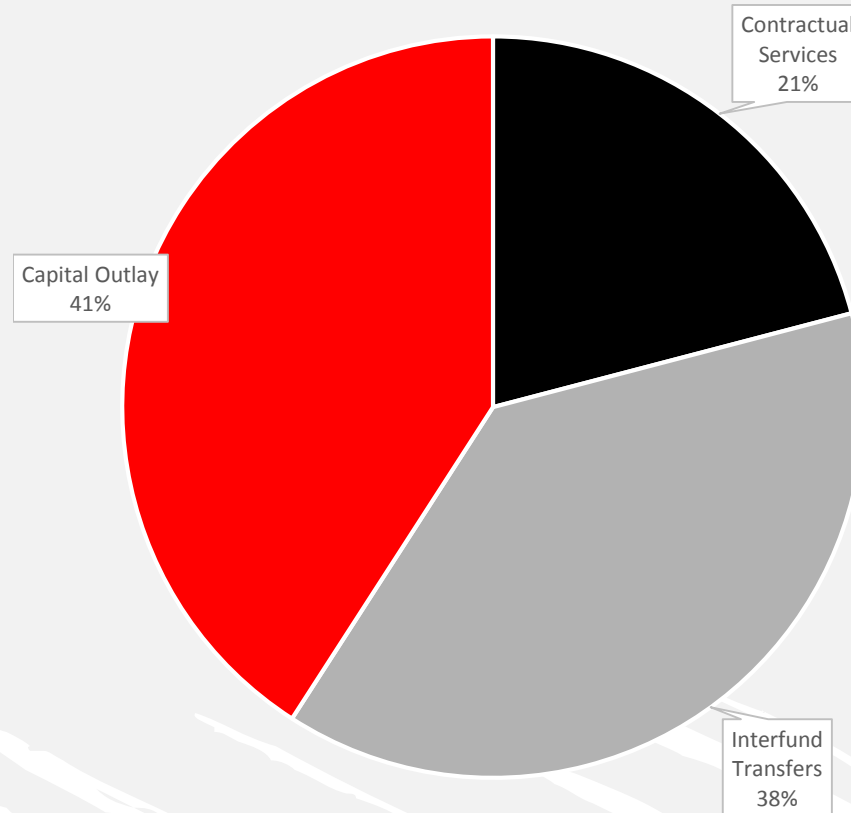
# AIRPORT EXPENSES - \$2,569,751



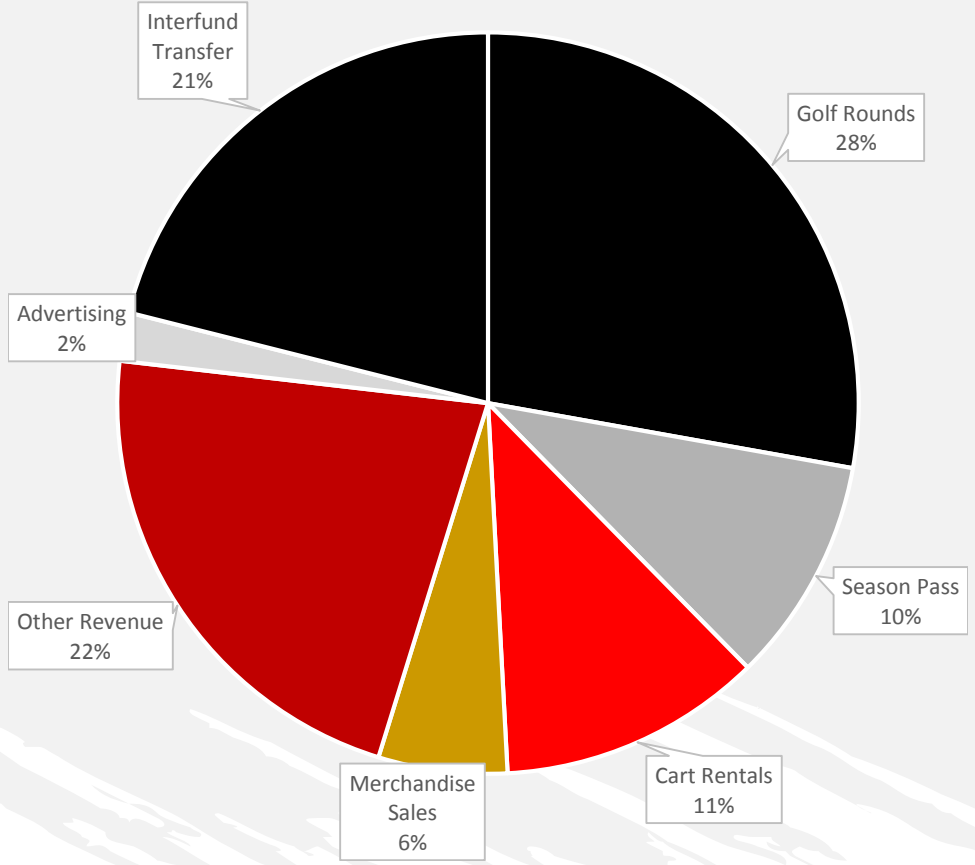
# RAILROAD REVENUES - \$1,358,062



# RAILROAD EXPENSES - \$1,320,949



# GOLF COURSE REVENUES - \$356,750



# GOLF COURSE EXPENSES - \$356,324

