



**City Council Study Session Agenda
July 28, 2025 - 6:00 PM
City Council Chambers, City Hall, 3rd Floor,
1528 Third Avenue, Rock Island, IL**

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- 1. Call to Order**
- 2. Roll Call**
- 3. Presentations**
 - a. Finance Department 2026 Budget Preview Presentation
- 4. Public Comment**
- 5. Adjourn**
 - a. Motion: Motion to adjourn.
VV Voice vote is needed.

This agenda may be obtained in accessible formats by qualified persons with a disability by making appropriate arrangements from 8:00 am to 5:00 pm, Monday through Friday, by contacting the City Clerk's Office at (309) 732-2010 or visiting in person at: 1528 Third Avenue, Rock Island, IL 61201.

2026 Budget Preview



ROCK ISLAND
ILLINOIS

July 28, 2025

2026 Budget Preview

Budget Goals

- Balanced budget.
- Keep financial impacts to the citizens and businesses of Rock Island to a minimum.
- Remain fiscally responsible. Adhere to established financial policies while maintaining the City's current financial position and working to improve its long term fiscal outlook.

2026 Budget Preview

Assumptions

- Health Insurance – 10% *
- Fire and Police Pension - Employer Contribution
 - Actuarial Recommendation of 100% Funding *
 - Lauterbach & Amen Police Pension recommendation \$6,534,606
 - Lauterbach & Amen Fire Pension recommendation \$5,579,508
- IL Municipal Retirement Fund (IMRF) – 5.98% *
- Merit Increases – 2% Based on Average
- GWI – per contract; non-affiliates 3.00%

*Preliminary until final numbers are received

2026 Budget Preview

Challenges

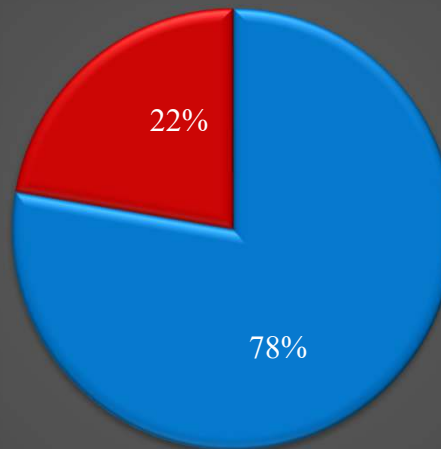
- Reduced revenue and increased expenditures
- Union contract obligations for GWI's
- Negative fund balances
- Aging infrastructure

2026 Budget Preview

Revenues

Approximately 78% of budgeted revenues in CY 2025 are in categories with restrictions.

Restricted vs Unrestricted Revenues



■ Restricted ■ Unrestricted

2026 Budget Preview

Property Tax

	CY 2025 Levy
General Fund	\$1,109,164
Police Pension	\$6,151,244
Fire Pension	\$5,162,462
Library	\$2,681,483
Recreation	\$890,774
Park	\$1,347,394
RIFAC	\$203,647
Public Benefit	\$80,546
Total Levy	\$17,626,714
Property valuation	635,753,064
Property tax rate	2.7726

Estimated EAV received by the County in September

2026 Budget Preview

GO Bonds & IEPA Loan Payments

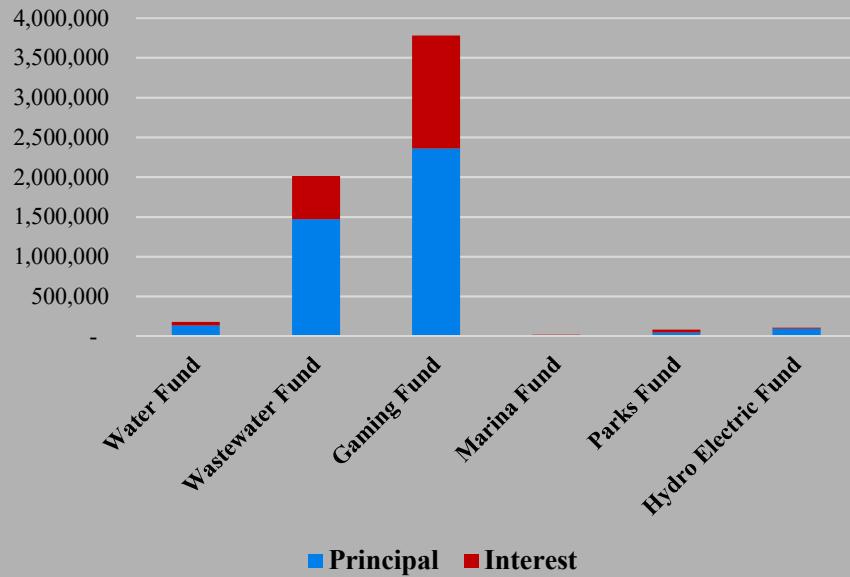
CY 2026 - GO Bond Payments			
Funding Source	Principal	Interest	Total
Water Fund	135,000	41,600	176,600
Wastewater Fund	1,470,000	544,600	2,014,600
Gaming Fund	2,357,649	1,420,228	3,777,877
Marina Fund	12,351	4,243	16,594
Parks Fund	45,000	37,000	82,000
Hydro Electric Fund	95,000	11,400	106,400

CY 2026 - IEPA Loan Payments			
Funding Source	Principal	Interest	Total
Water Fund	1,197,323	300,173	1,497,496
Wastewater Fund	2,638,175	439,428	3,077,603

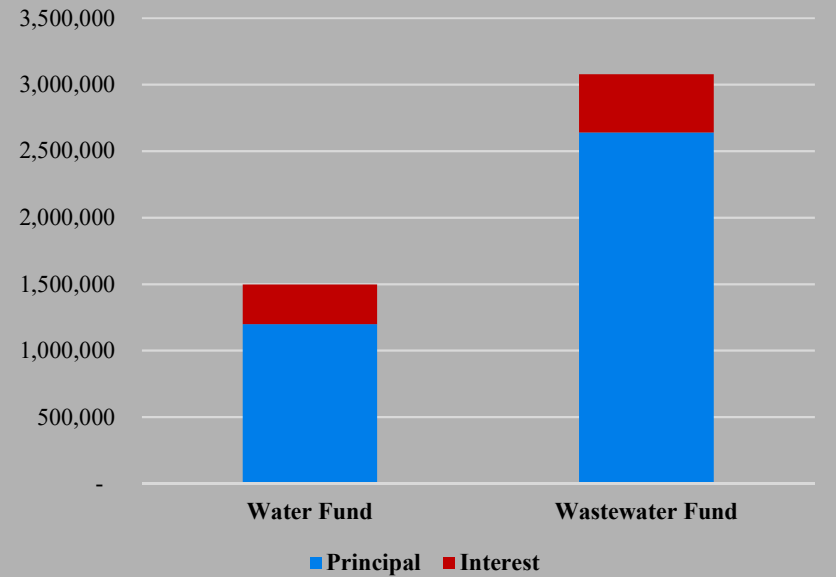
2026 Budget Preview

Go Bonds & IEPA Loan Payments

CY 26 GO Bond Payments



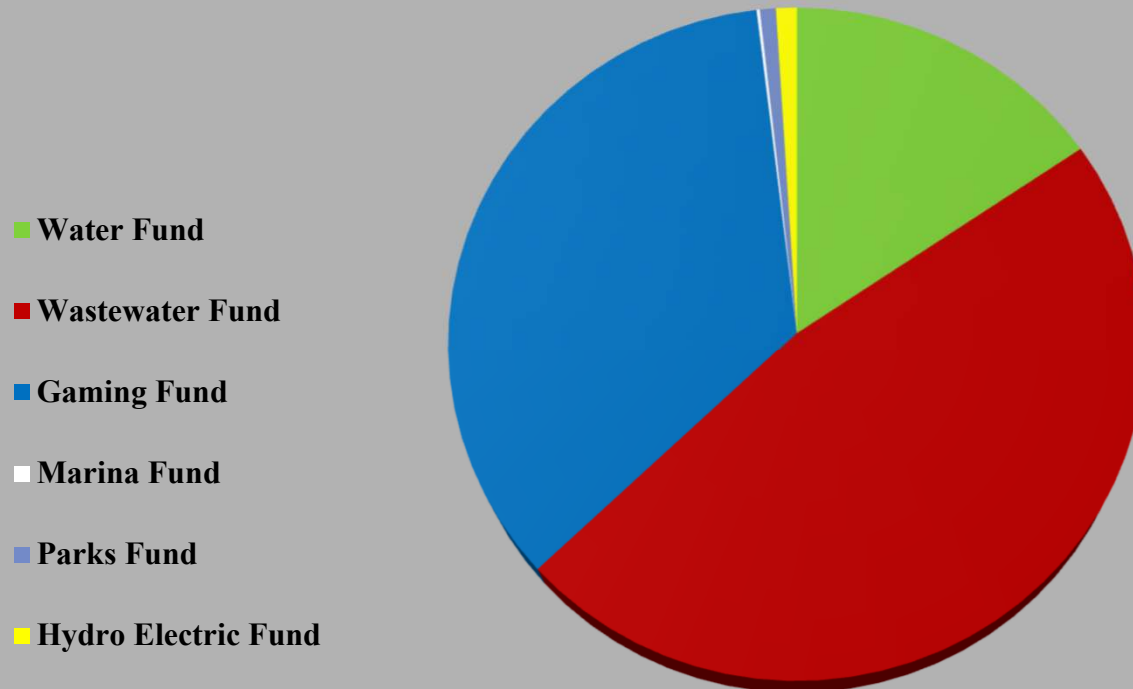
CY 26 IEPA Loan Payments



2026 Budget Preview

Go Bonds & IEPA Loan Payments

Total CY 26 GO Bond & IEPA Loan Payments



2026 Budget Preview

General Fund Surplus

Surplus	Amount
Prior years GF remaining surplus	\$6,771,830
Balance CY 2025 GF & Parks budgets	\$3,964,010
Total	\$2,807,820
CY 2024 GF surplus	\$1,173,626
Total	\$3,981,446

2026 Budget Schedule

August / September 2025

August

- Budget review meetings with City Manager, Department Directors & Finance
- Budget review meetings with Mayor/Council, City Manager & Finance
 - **Dates to be determined**

August / September

- Strategic planning and goal setting with Mayor/Council, City Manager, Department Directors & Finance
 - **Date to be determined**

2026 Budget Schedule

October – December 2025

October 27, 2025

- Finance Director budget presentation to Council

November 10, 2025

- Finance Director CIP budget presentation to Council
- Public Hearing on budget ordinance first reading
- Property Tax Levy ordinance first reading
- Public Hearing on Truth in Taxation (if necessary)
 - Tax Levy >4.99%

December 8, 2025

- Budget ordinance second reading
- CIP Plan adoption
- Property Tax Levy ordinance second reading

Questions

Questions from Council?