

City of St. Charles Budget Plan FY 2012-2013



Budget Summary

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Officers and Officials

Mayor

Donald P. Dewitte

City Administrator

Brian Townsend

City Council

Dan P. Stellato	Ward 1	William Turner	Ward 3
Jon Monken	Ward 1	Jo K. Krieger	Ward 4
Clifford X. Carrignan	Ward 2	James E. Martin	Ward 4
Rita Ann Payleitner	Ward 2	Maureen Lewis	Ward 5
Raymond Rogina	Ward 3	Ed Bessner	Ward 5

City Treasurer

Warren J. Drewes

City Clerk

Nancy Garrison

City Attorney

Gerald M. Gorski

Department Heads

Christopher A. Minick
Director of Finance

Mark Koenen
Director of Public Works

Rita Tungare
Director of Community Development

Patrick Mullen
Fire Chief

Margaret A. Forster
Director of Information Systems

James E. Lamkin
Police Chief

Kathy A. Livernois
Director of Human Resources

Chris Aiston
Director of Economic Development



Budget Message and Overview

On July 6, 2011, the City of St. Charles was recognized by national publication *Family Circle* when it announced that St. Charles was the #1 Town for Families. The exclusive survey identifies the best towns and cities for families. The communities featured in the magazine's annual roundup of perfect places to call home combine affordable housing, good neighbors, green spaces, strong public school systems, and giving spirits. It was a day when everything – and nothing - changed in St. Charles.

In conducting its research, *Family Circle* reviewed information regarding the City's finances as well. What they learned is that the City of St. Charles is characterized by:

1. Diverse revenue sources from a variety of taxes and fees;
2. Substantial cash reserves;
3. Moderate debt with an exceptional bond rating; and
4. Professional and resourceful management and employees.

While the economic downturn has impacted all communities, St. Charles has used it as an opportunity to prioritize and identify more efficient ways to deliver service. By doing this, we continue to meet the expectations of the community, as evidenced by the results of our 2011 resident survey. The survey has been administered since 1996 and is used to measure satisfaction with community initiatives and programs, guide future decision-making, and improve services.

The results showed the following:

- St. Charles is valued as a place to live.
- Services are viewed favorably and worthy of taxes paid.
- Communication with residents is viewed positively.
- Opinions of community appearance have improved.
- Views regarding downtown St. Charles have improved.

More importantly, the ratings reflect a strong recognition that St. Charles continues to provide high level of service given the economic climate. Over 96 percent of respondents rated St. Charles as a “good” or “excellent” place to live. This is comparable with prior surveys. However, the number of respondents who rated St. Charles as “excellent” increased to 57%, an increase of 11% from 2009.

The City's financial operations remain sound, supported by solid operating reserves, a demonstrated history of reacting to budgetary challenges, and strong leadership. For the past three years, the City of St. Charles has taken careful steps to restrain spending and implement prudent reductions in expenditures. In the fall of 2010, the City of St. Charles began a financial sustainability initiative to achieve the vision of the City's strategic plan - a City organization that maintains an optimal service delivery framework that balances resources with needs.



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As part of this process, residents, business owners and employees were asked to share their ideas - ideas that would result in cost-savings or greater efficiency. More than 130 ideas were received and many were implemented during FY11-12. Others are planned for implementation in FY12-13.

Since 2008, the City of St. Charles has responded admirably to declining revenues by engaging in responsible planning and budgeting. Projections for the current fiscal year ending April 30, 2012 reflect that the City will end the year with an estimated expenditure level of \$40.2 million, approximately 6% lower than the fiscal year 2007-08 level. This marks the fourth consecutive fiscal year that expenditures would be lower than the fiscal 2008 level. Additionally, the City has eliminated the equivalent of 54 full-time positions from its payroll. This 16% staffing reduction was achieved through attrition of positions and did not involve layoff of employees.

The most important thing about all that has been done is that City services continue to be provided at a very high level and residents realize it. This can be demonstrated through the results of the 2011 Priorities Survey and the *Family Circle* recognition.

The City of St. Charles is achieving its goal of fiscal sustainability. That will be a continued area of emphasis in FY12-13.

The adoption of the FY12-13 budget represents a carefully crafted financial plan. The purpose of this budget message is to provide an overview of the plan that has been compiled over the past several months as City departments have prepared budget plans for the next four fiscal years.

St. Charles is a community that is admired for the quality of service that we provide. We are also an organization that is respected for our proactive preparation and our resourceful response. We can all take pride in these facts and realize how fortunate we are.

Before introducing the FY12-13 budget, let's review some key accomplishments from FY11-12. These accomplishments mark our progress in serving the community and establishing a successful future for our City. Some examples include:

- ❑ The Chaddick Institute at DePaul University recognized the First Street project with its Municipal Development Control Award. This recognizes a suburban unit of government that has been innovative in managing the development process to promote favorable outcomes over a period of four years or more.
- ❑ The City's FY 10-11 Comprehensive Annual Financial Report was recognized with the "Excellence in Financial Reporting" Award by the Government Finance Officers Association. This marks the 26th year in a row that St. Charles has been recognized.
- ❑ The Lawson Enterprise Resource Planning (ERP) implementation commenced in 2010. ERP allows computer technology to integrate various functions—such as accounting, inventory control, and human



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resources—across the entire City. The system includes modules for all of our financial and budgeting systems. It also includes the modifications necessary to the existing Lawson payroll system.

- ❑ Construction was completed on the new radium removal facility to improve water quality from Wells 3 & 4. The facility will ensure compliance with federal mandates regarding drinking water quality and enhance system capacity.
- ❑ The City has made substantial progress on updating the Comprehensive land-use plan, the City's official Land Use and Development Policy Guide. The plan is intended to be referenced when annexing property, changing zoning, reviewing development and redevelopment projects, and identifying public infrastructure improvements. Over 100 stakeholders have participated in the process to date.
- ❑ The 2nd annual St. Charles Restaurant Week was held in February. The event was a great success with over 30 St. Charles restaurants participating in the City-initiated and organized promotion.
- ❑ The City took center stage as St. Charles native Nick Smith premiered the critically-acclaimed feature film entitled *Munger Road* at Classic Cinemas on September 26, 2012. The City supported the production of the film by providing City services and employees during the filming in St. Charles and the surrounding area.
- ❑ A new website was deployed highlighting the City's services and programs. The new site features a fresh new look and more multimedia content, with improved search capabilities and site navigation. More importantly, the website has been restructured to make it easier for residents, businesses, and visitors to find the information they need quickly and easily.
- ❑ The St. Charles Police Department was recognized by the Commission on Law Enforcement Accreditation (CALEA) with the "Accreditation with Excellence" award, which is presented to law enforcement agencies that display excellence in public safety professionalism.
- ❑ The number of calls for service for the St. Charles Police Department in 2011 was the lowest it's been in 10 years. Police responded to 16,168 calls for service in 2011, a 7% decline from 2010 and 16% lower than 2008.
- ❑ Moody's Investors Service recognized the City's fiscal management in affirming the City's outstanding Aa1 bond rating.
- ❑ The Municipal Center Riverwall & Plaza rehabilitation project was recognized with the 2011 Richard H. Driehaus Foundation Preservation Award by Landmarks Illinois.



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- ❑ The City's Electric Utility obtained its best reliability performance in ten years, scoring in the industry's top quartile for shorter duration and lower frequency of outages. Improvement was realized in average number of minutes a system customer was without power, average time to restore an outage, and number of interruptions.

- ❑ The City held a groundbreaking ceremony for the long-awaited Red Gate Bridge. Phase 1 construction of the Red Gate Bridge also occurred, which included earthwork, tree removal, construction of storm water detention facilities, and the erection of a pedestrian bridge over the Fox River bike trail.

These accomplishments are a testament to the City's on-going efforts to fulfill the mission of preserving our heritage, fostering opportunity, building community, and enhancing quality of life for all.

St. Charles works collaboratively, creatively, and openly to identify the best ways to serve the people of St. Charles. It is these traits that allow St. Charles to be a community that is admired for the quality of service that we provide.

Introduction

The budget for FY12-13 has 3 main themes:

1. Holding the line on taxes and fees
2. Restoring programs and services that were suspended during the worst of the recession
3. Enhancing the physical infrastructure of the community to meet future needs, including the construction of the Red Gate Bridge and reconstruction of East Main Street.

A summary of departmental activities is provided later in this document, but to provide a glimpse, the City will:

- Complete a new Comprehensive Land Use Plan.
- Explore redevelopment and revitalization opportunities for vacant or underutilized properties.
- Continue with implementation of the Enterprise Resource Planning System, or ERP, to benefit all City departments by maximizing efficiency.
- Take steps to have the Fire Department accredited.
- Rehabilitate utility infrastructure in accordance with the City's 10-year plan
- Reconstruct and widen East Main Street/IL Route 64
- Complete construction of the Red Gate Bridge

The proposed budget for FY12-13 is balanced. We are pleased to present a budget that continues to sustain an exceptional level of service to the community while simultaneously minimizing the tax burden. The proposed budget also reflects financial investments that are made based on the strategic priorities of the Mayor and City Council.



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Major Revenue Sources

The City of St. Charles relies on seven (7) main sources of revenue to fund General Fund operations -- property tax, sales tax (state share and home rule portion), state income tax, hotel tax, electric franchise fees and telecommunication tax. These sources of revenue make up about 89% of General Fund revenue. For FY12-13, we are estimating a slight increase in property tax revenue as compared to FY11-12. The City's equalized assessed value has declined, corresponding to a decrease in the value of real estate in the community. As a result, the City Council has made the decision to maintain the amount of money collected from the community via this source.

Revenue from state and home rule sales taxes are estimated to increase 5 and 6% respectively over what is projected to be collected in FY11-12. Hotel tax, electric franchise fees and telecommunication taxes will see increases over projected amounts as well.

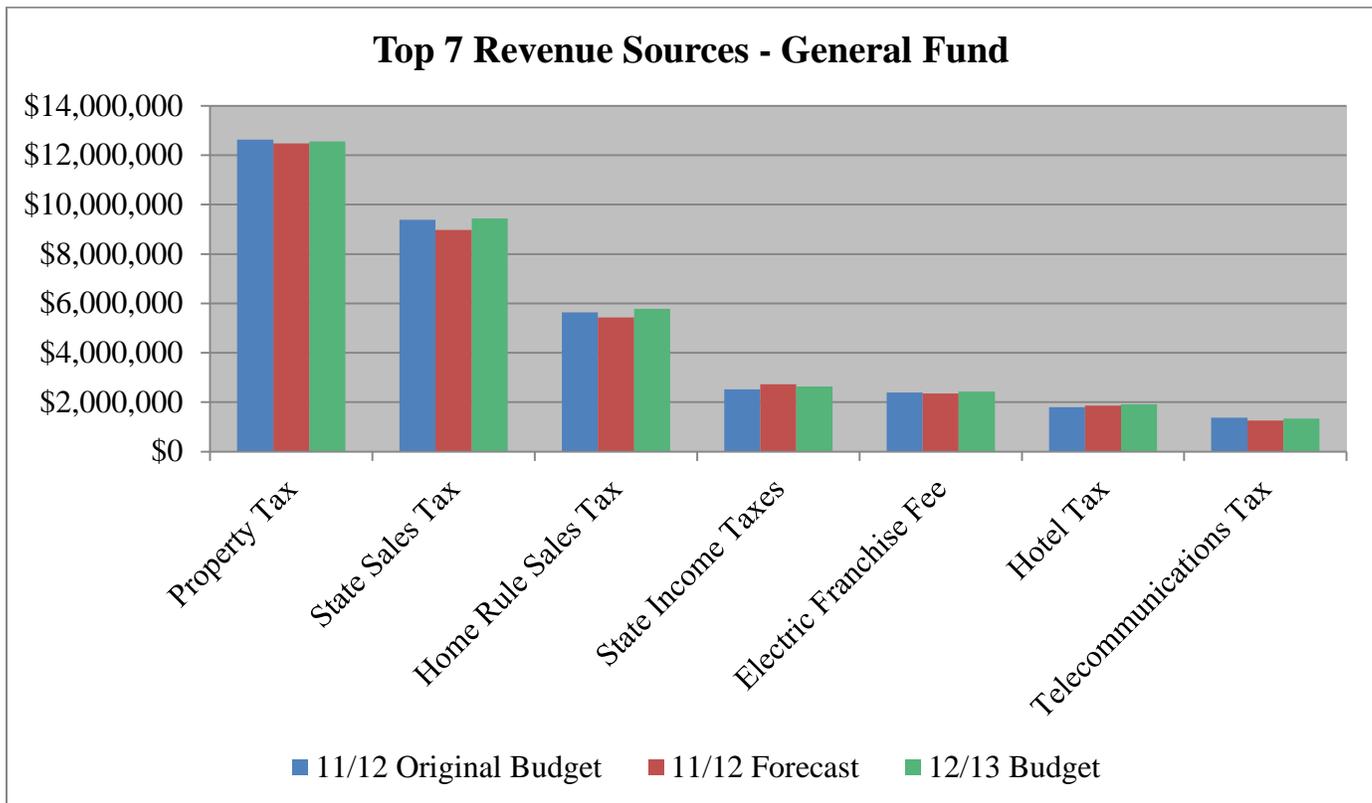
Top 10 Revenue Sources - General Fund				
	<u>11/12 Budget</u>	<u>11/12 Forecast</u>	<u>12/13 Budget</u>	<u>% Change (Budget vs. Forecast)</u>
Property Tax	\$12,639,562	\$12,474,765	\$12,551,106	1%
State Sales Tax	\$9,386,066	\$8,973,564	\$9,442,583	5%
Home Rule Sales Tax	\$5,641,687	\$5,435,590	\$5,775,525	6%
State Income Taxes	\$2,514,886	\$2,722,006	\$2,637,920	-3%
Electric Franchise Fee	\$2,391,595	\$2,353,722	\$2,434,417	3%
Hotel Tax	\$1,800,000	\$1,863,548	\$1,920,000	3%
Telecommunication Tax	\$1,375,000	\$1,253,179	\$1,340,000	7%
Alcohol Tax	\$905,244	\$987,043	\$962,800	-2%
Charges for Services	\$395,200	\$531,172	\$620,789	17%
Licenses & Permits	\$381,370	\$438,215	\$434,930	-1%

As mentioned above, sales tax makes up a significant part of General Fund revenue. From calendar year 2007 to 2011, total sales tax revenue has declined \$1.05 million or 6.62%. Furthermore, St. Charles has experienced a 3.8% decrease in revenue from the "top 20" sales tax generators in St. Charles for the same period. These "top 20" reflect a diverse group of automobile dealers, general retailers, and hotels. However, when comparing 2011 calendar year to 2010, sales tax collections increased by 4.1%, the second consecutive year with an increase. The FY12-13 budget does include an increase in state and home rule sales tax over the FY11-12



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forecasted revenue as the City is projecting sales tax collections will continue to show strong improvement in the upcoming fiscal year.



Sales tax (state share and home rule) makes up the largest source of General Fund revenue for the City.

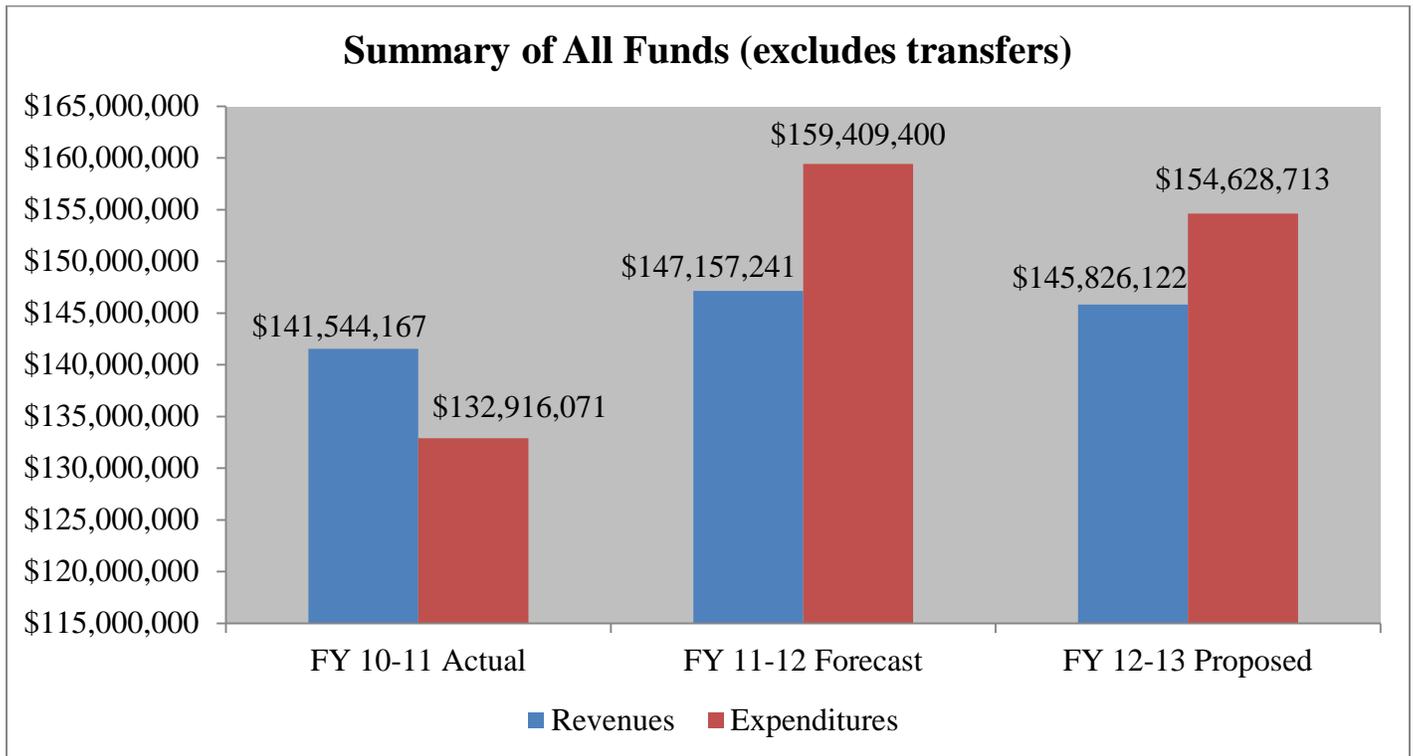
Summary of All Funds

At the time the FY11-12 budget was approved, it was projected that the City would have revenue of \$151.8 million and expenditures of \$160.0 million (including transfers). We expect to close FY11-12 with \$155.8 million in revenue and \$168.1 million in expenditures (including transfers). The change from original budget to current forecast for expenditures is primarily due to the refunding of outstanding debt that was not anticipated in the original budget as well as uncompleted capital projects that were budgeted in a previous year and then carried forward to FY11-12.



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For FY12-13, the City is projected to have \$156.0 million in revenue and \$164.8 million in expenditures for all funds, including inter-fund transfers. The largest funds are General, Electric, Water, and Sewer. Combined, these funds represent 70% of the total budget.



Expenditures for all funds are expected to exceed revenue from all funds.

The City’s largest source of revenue is fees and user charges, collected from customers for utility service. The largest source of non-user fee revenue is sales tax, followed by property tax revenue. The table below shows the total revenue to be received this year, broken down by source. The “Other” category includes items such as charges to other governments, fines and court fees, interest income, charges to other funds, sale of property, insurance premiums, and other miscellaneous sources.



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REVENUE - ALL FUNDS (Excludes Transfers)				
	11/12 Budget	11/12 Forecast	12/13 Budget	% Change (Budget vs. Forecast)
Revenues:				
Property Tax	\$ 13,980,524	\$ 14,114,414	\$ 14,190,305	1%
Sales & Use Taxes	16,216,078	16,096,438	16,550,734	3%
Franchise Fees	2,911,595	2,839,708	3,019,417	6%
Hotel Tax	1,858,383	1,927,804	1,984,110	3%
Other Taxes	2,368,744	2,343,411	2,408,300	3%
Charges for Services	60,099,549	60,359,537	62,652,271	4%
Licenses & Permits	381,370	438,215	434,930	-1%
Intergovernmental	14,097,612	14,801,195	3,918,558	-74%
Pension Contributions	3,301,068	3,102,245	3,085,144	-1%
Financing Proceeds	10,415,000	13,545,958	20,535,944	52%
Other	17,559,134	17,588,316	17,046,409	-3%
Total	\$143,189,057	\$147,157,241	\$145,826,122	-1%

The City's largest category of expenditures is for Public Utilities – such as electric, water, and sewer services. With regard to other, non-utility City services, Public Health & Safety (police and fire) make up the next largest portion of expenditures, followed by Public Works, and then General Government.

EXPENDITURES - ALL FUNDS (Excludes Transfers)				
	11/12 Budget	11/12 Forecast	12/13 Budget	% Change (Budget vs. Forecast)
Expenditures:				
General Government	\$21,075,711	\$27,286,181	\$20,750,207	-24%
Public Health & Safety	\$23,804,851	\$24,991,227	\$25,576,800	2%
Public Works	\$32,572,900	\$31,471,271	\$25,295,622	-20%
Public Utilities	\$71,392,827	\$73,103,224	\$80,241,741	10%
Community Development	\$2,471,736	\$2,557,497	\$2,764,343	8%
Total	\$151,318,025	\$159,409,400	\$154,628,713	-3%



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Summary of General Fund

The City expects to close FY11-12 with a small deficit in the General Fund (the fund that accounts for the vast majority of the City’s operations) of approximately \$101,368. This deficit is the result of the City’s Voluntary Separation Incentive Plan (VSIP) which was offered to full and part time employees during FY 11-12. City Council had previously made the decision to fund the costs of the VSIP from reserves. Total cost of the VSIP to the General Fund was approximately \$465,000, resulting in a reduction of General Fund reserves in the same amount. Taking out the impact of the VSIP, the General Fund is forecasted to have an operating surplus of \$369,000. This compares to a projected surplus of \$378,791 when the FY11-12 budget was approved.

For FY 12-13, it is projected that revenue in the General Fund will be slightly higher at \$40.7 million or approximately 1.48% higher than what was budgeted for FY11-12. Property tax revenues are projected to decrease by 0.70% from the amount budgeted in the previous year. This includes property taxes collected under the City levy as well as under the various Special Service Area (SSA) levies. For the 2011 tax levy, City Council elected to keep the property tax dollars collected for the City’s operating levy the same as the 2010 City tax levy. This marks the third consecutive year that the levy has stayed at that amount. However, SSA property tax collections are expected to decrease due to the decline in the City’s Equalized Assessed Valuation (EAV).

GENERAL FUND REVENUES (Includes Transfers)			
	<u>11/12 Budget</u>	<u>11/12 Forecast</u>	<u>12/13 Budget</u>
Property Tax	\$ 12,639,562	\$ 12,474,765	\$ 12,551,106
Sales & Use Taxes	15,480,021	14,920,618	15,794,358
Hotel Tax	1,800,000	1,863,548	1,920,000
Other Taxes	2,368,744	2,343,411	2,408,300
Franchise Fees	2,911,595	2,839,708	3,019,417
Licenses & Permits	381,370	438,215	434,930
Intergovernmental	2,768,017	2,976,781	2,933,381
Charges for Services	395,200	531,172	620,789
Financing Proceeds	0	0	0
Other	1,351,800	599,220	1,007,461
	\$40,096,309	\$38,987,438	\$40,689,742

Remaining General Fund revenue sources are expected to remain primarily flat as compared to the FY 11-12 budget with a few exceptions. The FY12-13 budget does include a one-time revenue source, a “rebate” to the General Fund from the Health Insurance Fund in the amount of \$250,000. This one-time rebate is attributed to better than anticipated claim experience in the Health Insurance Fund during FY 11-12.

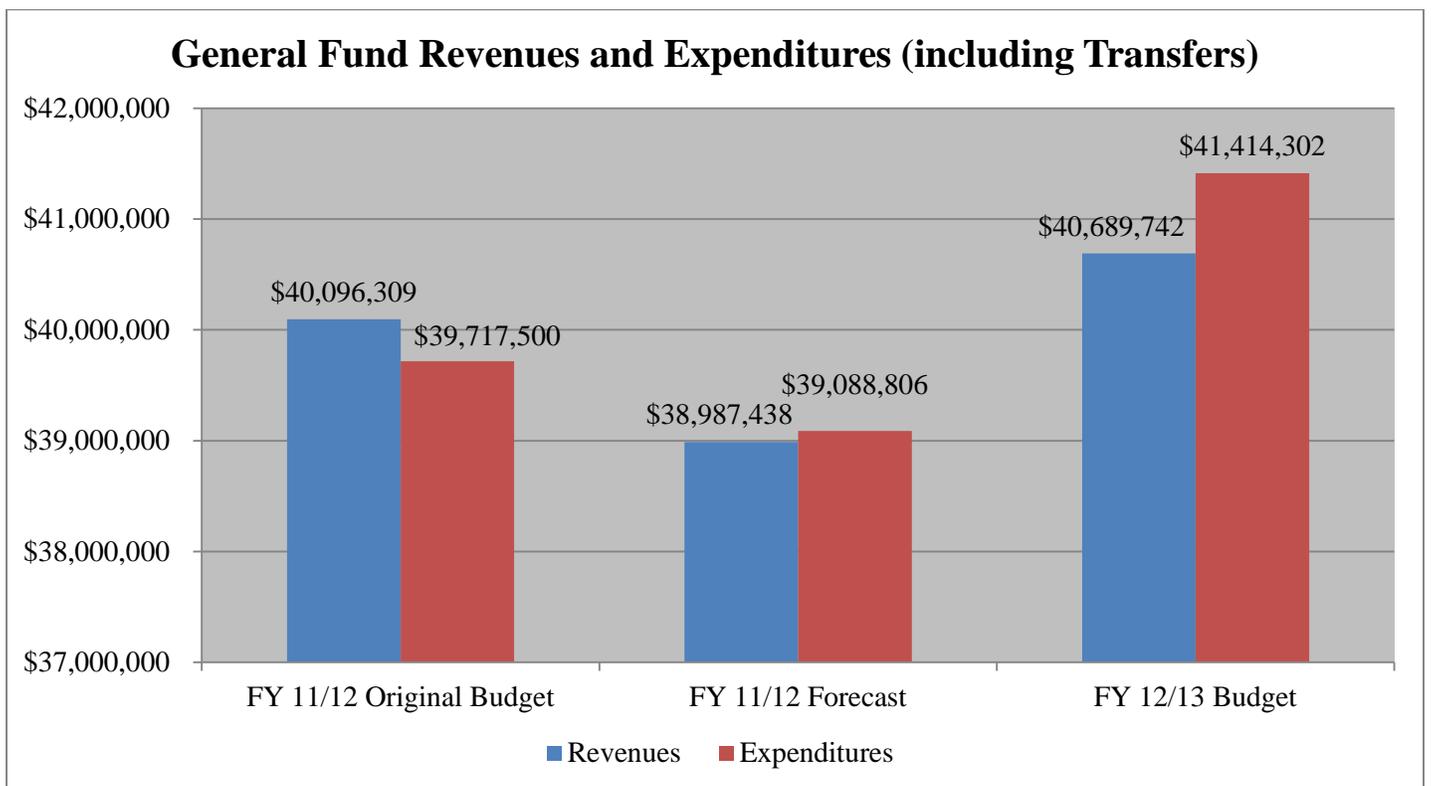


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Expenditures (excluding transfers) in the General Fund for FY12-13 are expected to be \$34.6 million. This represents a 0.52% increase from the original FY11-12 budget. The largest share of expenditures in this fund is for personnel and benefits for employees, our most important resource.

Personal Services represents nearly two-thirds of the total expenditures of the General Fund. Employee wages make up 52% of operating expenses. Other significant personal service costs include health insurance (\$2.7 million), pensions (\$3.2 million), and workers compensation (\$1.1 million).

The chart and tables below provide additional information regarding General Fund revenues and expenditures.



The General Fund is expected to end FY 12/13 with a \$101,000 operating deficit.



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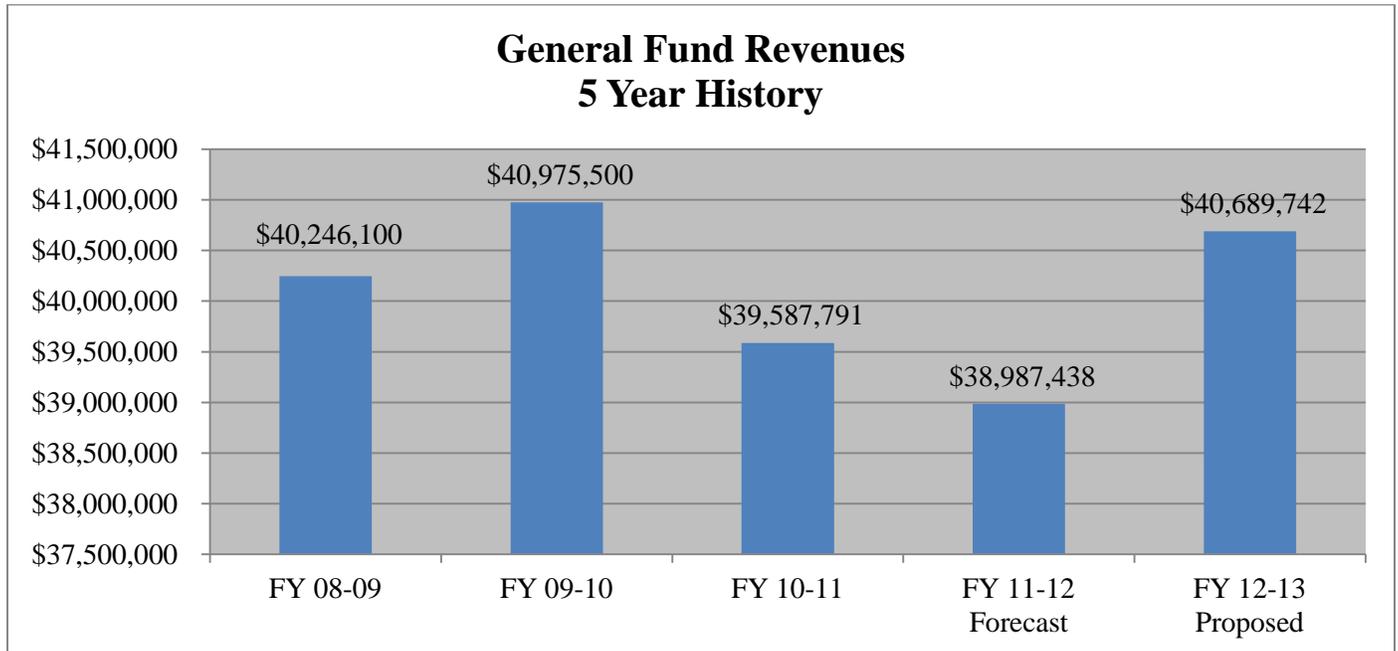
GENERAL FUND EXPENDITURES BY ACCOUNT TYPE (Includes Transfers)			
	11/12 Budget	11/12 Forecast	12/13 Budget
Personal Services	\$ 26,272,200	\$ 25,936,161	\$ 26,481,227
Other Operating	12,667,800	12,008,947	12,715,838
Allocations	(4,782,100)	(4,782,118)	(4,925,583)
Capital	229,200	732,693	373,179
Debt Retirement	82,000	84,658	4,584
Transfers - Debt Service	3,621,300	3,505,688	4,454,811
Transfers - Other	1,627,100	1,602,777	2,310,246
Total	\$ 39,717,500	\$ 39,088,806	\$ 41,414,302

General Fund expenditures will increase in FY12-13 due to increases in Personal Services (e.g. wages, benefits, training, and other employee-related expenses) and operating expenses (e.g. materials, commodities, and professional services).

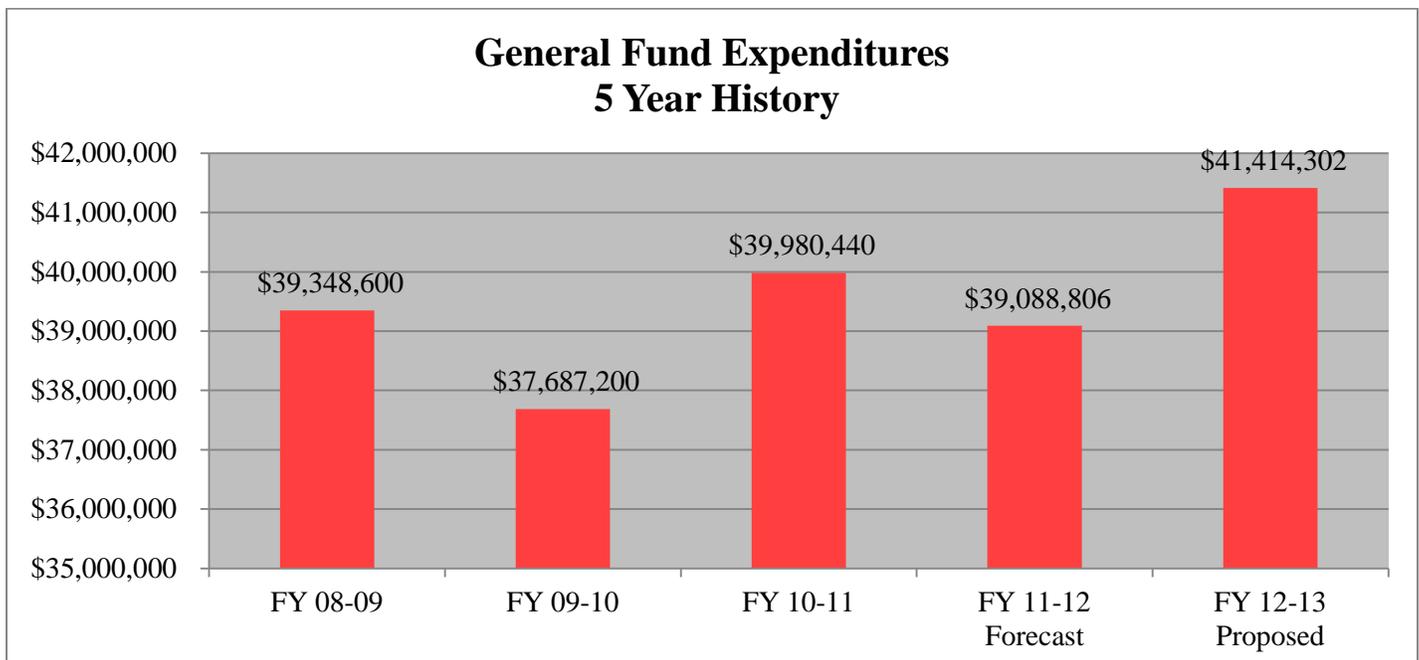
GENERAL FUND EXPENDITURES BY FUNCTION (Includes Transfers)			
Expenditures:	11/12 Budget	11/12 Forecast	12/13 Budget
General Government	\$ 3,084,100	\$ 3,258,342	\$ 3,169,778
Public Health & Safety	20,696,800	20,573,885	20,862,368
Public Works	8,216,500	7,593,418	7,876,756
Community Development	2,471,700	2,554,696	2,740,343
Transfers	5,248,400	5,108,465	6,765,057
Total	\$ 39,717,500	\$ 39,088,806	\$ 41,414,302



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General Fund revenue is expected to increase as compared with the FY11-12 forecast. General Fund expenditures are expected to increase in FY12-13 as compared with the FY11-12 forecast.





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Highlights of Departmental Activities

From an operational standpoint, the City of St. Charles will undertake several key initiatives. Provided below are summaries of key departmental initiatives for FY11-12:

City Administrator's Office

The most important initiative for FY12-13 is the continued implementation of the ideas that were borne of the St. Charles Sustainability Initiative (SSI). These ideas are critical to the City's financial sustainability and ensuring that we maintain our commitment to the community.

Communications and Public Affairs will continue to work on enhancing communication and outreach. This includes web-site enhancements, improved publications, and education for City staff and officials.

The City Administrator's Office will also conduct the Internal Customer Service Survey to ensure that City departments are meeting the needs of their colleagues in other City departments. The survey asks for feedback on how well several City departments service their "internal" customers—the employees of the City.

Community Development

For FY 12-13, the Community Development Department will implement initiatives outlined in the department's business plan. Departmental initiatives and core services remain closely aligned with the mission of responding to community needs through thoughtful, orderly planning and regulation of development within St. Charles.

The Planning Division continues work on the Comprehensive Plan re-write project. The Comprehensive Plan is the official roadmap that establishes policies for future development and redevelopment of the community. Through the ongoing planning process, the City hopes to build consensus and establish a future vision for key parcels such as Charlestowne Mall. City Council approved a contract for consultant services in May 2011 and shortly thereafter, an advisory Task Force was established. Several community workshops and public outreach efforts took place in FY11-12. Completion of a plan document for review by the Plan Commission and approval by City Council is anticipated in the second quarter of FY 12-13.

Public improvements in the Remington Glen subdivision were completed in FY 11-12 with funds secured from the Letter of Credit. Staff will continue to monitor and pursue completion of improvements for in-progress residential subdivisions to ensure the safety and comfort of neighboring residents.

Code Enforcement staff has devoted a significant amount of time and attention to monitoring the increasing number of foreclosed properties over the past couple of years. As economic conditions improve and number of foreclosures declines, staff remains optimistic that FY 12-13 will provide opportunities to allocate resources to



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code enforcement of other properties within St. Charles. Updating the City's Property Maintenance Code will be a priority in FY 12-13.

In FY11-12, inspection staff switched over to mobile computing for data entry and access to critical information in the field. The department continues to seek opportunities to eliminate use of archaic databases, enhance technological capabilities, and improve business practices to serve customers more efficiently. An example of this will be a transition in FY12-13 to the City's existing permitting system, Cityview, for code enforcement tracking, notification and administrative processes.

Economic Development

In the interest of expanding and diversifying the City's tax base, the City's Economic Development (ED) Department will continue to focus on exploring redevelopment and revitalization opportunities for vacant or underutilized properties within the existing corporate limits, with special focus on specific properties and districts, as described below.

Combining site-specific marketing and economic development incentive considerations with that of more generalized marketing to attract certain sectors of business from a city-wide site selection basis, the department will again in FY12-13 employ business-to-business (B2B) advertising campaigns. This year, additional emphasis will be placed on attracting consumers/visitors, working collaboratively with our fellow community organizations (e.g., Downtown St Charles Partnership, Convention and Visitors Bureau, Chamber of Commerce, Park District, Heritage Center, Arts Council and School District) in marketing the community as a great place to live, work, shop, dine, and visit.

ED staff will administer the contract with Ehlers and Associates to complete the process required to designate a "Business District" in an attempt to stimulate the development and redevelopment of commercial properties located along and proximate to East Main Street, from 7th Avenue to the City's east corporate boundaries. The initial Eligibility Study, required to determine what properties may or may not be included in the proposed district, should be completed early in Fy12-13. If the City Council elects to go forward, designation may occur within 2 to 3 months thereafter.

Staff continues to engage existing ownership and prospective development interest in the possible joint venture to reinvigorate this project particularly that of the planned Phase III of the First Street redevelopment project. Further, property owners with approvals for the four-story, 1 West Main Street building remain hopeful that market conditions will continue to improve so that construction of this building may occur by spring, 2013. Staff will continue to assist property owners in finding opportunities for conventional and unconventional financing to construct and ultimately secure tenants to fill space in these two project areas

In conjunction with the Community Development Department, Economic Development Department staff will retain professional marketing consulting services to undertake a public process to strategize to determine



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highest, best, most desirable and most sustainable land use and future of the Charlestowne Mall property. The Economic Development Department stands ready to act and place as a top priority this troubled property, from marketing its existing vacant tenant spaces to considering wholesale, long-term changes to its physical and land use character.

Community Development, Finance, Public Works, and Economic Development staff have completed initial analysis and will pursue a Three-party redevelopment incentive program with the ownership of 409 Tyler Road (former ready mix site) and St. Charles Chrysler/Dodge/Ram. As planned, this private-public partnership initiative will result in the use of approximately five acres (much of which will be pulled from current floodplain area) for long term retention and expansion of the dealership in the City, as well as the City's acquisition of approximately one acre of land along the existing rail line to serve as a channel to better convey storm water runoff within a troubled drainage area on the City's east side.

Staff remains committed in its support of a site clean-up and redevelopment of the former Applied Composites property at 333 N. 6th Street through designating a Tax-Increment Financing (TIF) District and adopting a redevelopment plan pursuant to TIF law to implement that plan. As presently conceived, certain activity costs necessary to allow this residential redevelopment to precede would be reimbursed through TIF on a pay-as-you-go basis.

With respect to Business-to-Business (B2B) marketing, the department will target retail, dining and entertainment sector site selectors with the series campaign initiated in FY11-12, as well as office, office/research and light industrial users with the advertised developed in FY10-11. In terms of consumer ads, the department will initiate a co-operative advertising campaign to assist local interests in promoting their St. Charles business. Under this plan, the City will work with West Suburban Living magazine in establishing high volume and frequency rates to advertise in the May/June issue of the magazine's "Town Focus" section, featuring St. Charles. Other plans include assisting in marketing activities of the Arts Council and promoting the first annual downtown bicycle race, third annual Restaurant Week and running holiday ads targeting west suburban shoppers in local area media.

Finance

The Finance Department's major initiative for the year was the implementation of the long-awaited Enterprise Resource Planning or ERP Project. During FY2011-12, the Lawson Budgeting and Planning (LBP) and the financial and procurement modules (Finpro) went live and are now in use. The LBP system was utilized in preparing the FY12-13 budget.

The new accounting system has provided numerous opportunities to improve accounting policies, business practices, and interdepartmental access to financial and accounting data. As FY12-13 begins, the department will continue to refine use of the system to fully utilize its capabilities, particularly in the areas of reporting and tracking departmental activities.



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Very late in FY2010-11, the utility rate study was completed and finalized in conjunction with the Public Works Department. During FY2011-12, the rate study was evaluated and the results of operations were monitored to develop a viable and sustainable long-term utility rate structure for the City. Finance Department staff will continue to monitor and evaluate the financial performance trends in the City's utilities during FY2012-13.

Staff will also work with other City departments to develop a 10-Year Capital Improvement Plan for general governmental infrastructure.

Purchasing and Inventory Control have experienced a profound change this last year. The introduction of the new financial software and procedures has improved the efficiency of both divisions. The biggest improvement is the ordering process and how customers are ordering their items. With an automated system, the turn around on both sides of the counter has improved. Procurement has also been improved and staff will strive for more improvement in the future.

Purchasing/Inventory continue to successfully conduct on-line auctions for the disposal of obsolete City vehicles and property. The Purchasing Division works closely with all departments and, with the assistance of the Fleet Division, coordinates the bid process for new vehicles as well as chosen service projects.

Spot-buy bidding has helped save the City money when purchasing fuel and the Inventory Division continues to manage the centralized inventory improving on the concept of "Cost vs. Value."

Utility Billing is working to optimize the use of the message area on the Utility Bill to inform residents of upcoming events. Utilization of this message area is free and is easily customizable by Utility Billing staff.

Utility Billing is now using the call out feature available in the "power outage system" package to make automated reminder calls regarding accounts that were mailed disconnect notices and are scheduled for disconnection the next week. This change has reduced the Utility Billing's staff time that was needed to make these calls manually.

In November 2011, a new ordinance was passed imposing a fee for customers that do not pay their bills or required deposits. This fee was imposed with the goal of reducing the number of customers that continually wait to pay their utility bills until they reach the point of disconnection. These customers are more costly to serve because of the time and effort required to handle accounts that reach disconnection status. The fee is also imposed to offset the costs associated with the additional work. Initial results appear to indicate that the effort has met with some success in reducing the number of accounts ultimately placed on termination status. During FY 12-13, the effectiveness of this program will be evaluated.

Utility Billing, Information Systems, and Finance are working to establish a program that will allow the acceptance of credit card payments. Additionally, it is anticipated that during 2012-13 the financial viability of providing advertising in utility bills will be evaluated.



Budget Message and Overview

Fire

In Fiscal Year 2012-13, the Fire Department will focus attention on several initiatives intended to improve operational effectiveness and budgetary efficiency. These include an overall assessment of services, implementation of specific technology improvements, and a resumption of targeted equipment replacements deferred over the past several years. As the fiscal year begins, department staff can point to a sizable reduction in on-going operational expenses for ambulance service. The FY 12-13 budget shows a 38 percent decrease (\$198,243) in allocations for ambulance services from the previous fiscal year. These savings stem in part from a negotiated change in the community assessment formula for Tri-City Ambulance Service, which reduced St. Charles share to support the service from 42 percent to 35 percent of expenses over revenues. The decrease also includes a one-time application of excess reserve dollars in the amount of \$142,850.

With an eye towards improving the efficacy of emergency and non-emergency services the Fire Department will continue an initiative begun in 2011 to evaluate organizational operations by applying the self-study model of the Commission on Fire Accreditation International. This process will provide a robust assessment of current operations and potential service improvements, as well as move the organization towards the goal of achieving full accreditation and official recognition from the Center for Public Safety Excellence in 2013.

The department will implement several technology purchases intended to improve the delivery of services provided to citizen. Chief among these will involve the purchase of new cardiac monitor/defibrillators for use by Fire Department and Tri-City Ambulance personnel. All front-line emergency vehicles, ambulances and fire companies, operate at an advanced life support, paramedic capability. This program aims to update and replace the more than 10-year old equipment used by emergency responders with current technology. The Fire Prevention Bureau will also pilot test the use of portable tablet computer capability so as to streamline the performance and documentation of annual life-safety property inspections.

This budget also allocates funds for special service improvements that have been deferred over the past several years. These include the installation of an outdoor emergency warning siren in the Woods of Fox Glen neighborhood to reinforce the community coverage network; purchase of an inflatable boat for the Water Rescue Team to replace an aging one; and procurement/upgrade of specific fleet vehicles to promote greater service reliability for a brush firefighting operations, the Fire Prevention Bureau, and the Emergency Management Agency.

Human Resources

The Human Resources Department continues to contribute to the priorities established in the 2014 Strategic Plan, and is proud of several accomplishments in 2011 and excited about initiatives for the 2012-13 fiscal year.



Budget Message and Overview

In the area of service delivery, the Voluntary Separation Incentive Program (VSIP) has made a significant positive contribution to the City's budget. Launched in response to the St. Charles Sustainability Initiative (SSI) program, the goal and outcome of this innovative program was to decrease the City's long-term costs through a reduction in the City workforce and to do so with voluntary buy-in from employees (17 participated). For fiscal year 11/12 and 12/13, the savings to the affected departments totals over \$1,604,780.

A major responsibility for Human Resources that has an annual impact on the City's budget is the cost of our health insurance plan. Through monthly meetings with our health insurance consultant, we were able to carefully craft a health plan for 2012-13 that averages only a 3% increase to the City and employee. According to the Kaiser Family Foundation, the average national increase in the annual premium for family coverage in 2011 was 9% over the previous year (NY Times, 9/28/11). The City was able to keep the increase well below national levels by making changes to our plan and selecting a different prescription plan. Another reason we were able to keep our rates low is that claims cost in FY 11-12 was less than the previous year. Making the investment of time, research, and commitment to wellness, continues to pay the dividend of lower medical premiums and excellent health benefits for the City and employees.

To keep health insurance costs as low as possible, HR offers the proactive wellness programs such as the Wellness Fair (individual health evaluated) and the HEALTHY Program (employees can lower medical plan premiums by meeting specific health criteria). A new fun, healthy, and community building event offered by our multi-department Wellness Team this year was the 5K Walk/Run. About 75 employees, family and friends joined in, and the momentum for better health and wellness continues to grow as a result of many creative Wellness Team programs.

In the area of building quality relationships, HR has made several strides. An internal HR communication survey was completed. The department established a mentoring program for new or recently promoted employees and offered employees additional options for giving and receiving information.

Information Systems

FY11-12 saw the completion of a number of major initiatives. Staff from Finance and Information Systems completed the implementation of the Lawson Financials and Procurement modules, as well as the Lawson Budgeting and Planning application. These implementations were significant due to their scope and impact on City employees. They replaced the City's aging core financial applications and provide a platform for future growth and flexibility. During FY12-13 Information Systems will be working with the Human Resources and Finance departments to add functionality to the Lawson Payroll/HR system and consolidate these applications with the newer Lawson modules on the Windows platform. Continued enhancement of the newly implemented Lawson modules will include the addition of multiple reports, queries, and notifications, the deployment of tools that will allow staff to access data easily, and the expansion of the employee and manager self-service capabilities of the system.



Budget Message and Overview

In order to provide compatibility with outside entities and to enhance functionality, employees were upgraded to MS Office 2010 in FY11-12. Enhancements were also made to the Utility Billing system based on recommendations from the utility rate study performed in the prior year. In FY12-13 the City will be providing better customer service by integrating its utility billing application with a service that will allow customers to pay their utilities on line using a credit card in addition to the current on-line check draft option.

The City's new public website, deployed in FY11-12, has as its infrastructure a content management system that allows content owners to create and revise their own information and provides enhanced search capability for users of the site. This new framework allows the City to re-use content in multiple places on the website without having to create and maintain it multiple times. In the coming year, focus will be on completion of a Drupal-based Customer Request System (CRS) that will be integrated with the new website's FAQ and feedback mechanisms. Remaining City websites will be converted to the Drupal content management system, allowing staff to implement a web-to-print strategy that will allow employees to more efficiently share content across multiple sites and social media channels and, at the same time, save time in print and email production.

Geographic Information Systems (GIS) completed a multi-year Electric atlas conversion project in FY11-12. Moving the atlas from a CAD platform to GIS provides higher quality printed output, allows users to access and maintain attribute data, and provides analytical opportunities for Electric staff. Completion of this project sets the stage for implementation in FY12-13 of electrical modeling software that will allow engineers to balance electrical load, optimize equipment placement, and run a host of other models that will increase reliability and minimize outages. Also released in FY11-12, the GIS Active Incident Management System (AIMS) serves as a common interface between first responders from St. Charles, Geneva, Batavia, and Elburn with Tri-Com dispatch operators.

Additional projects outlined for the coming year include a new version of the Precision GIS user interface that will provide faster response time, customized maps, and detailed reports. St. Charles is working with the City of Batavia to explore the sharing of key network infrastructure components in order to reduce costs and increase off-site storage, enhancing disaster recovery capabilities. The number of low-cost mobile computing devices will also be increased as different applications for tablets and smart phones are piloted with the vision of replacing significantly more expensive laptops.

Police

The Police Department is taking advantage of the Sustained Traffic Enforcement Program (STEP) offered through the Illinois Department of Transportation. The program will be applied towards safety belt and driving under the influence enforcement. These campaigns will be focused as road side safety checks and roving patrols. They are set up for specific holiday time periods and other occasions where experience has demonstrated the value of increased enforcement. The goal of the grants is to keep our roadways safe for all.



Budget Message and Overview

The department also addresses overweight trucks operating on our roadways. While trucking has an important role in commerce, maintenance of the roadways is just as important. Funds have been budgeted to replace a set of scales in the City used by the department in addressing overweight vehicles. The new scales will assist in the efficiency of this type of enforcement.

The police firing range was completed last fall. A marketing plan was initiated in February, with a number of area law enforcement agencies making immediate commitments for range dates and the financial agreements necessary to train on the City facility. Plans for a structure to be built are in place to enhance the facility.

Technology related items continue to be important in law enforcement. Grant funds have been secured to add a camera in the downtown area, to assist with keeping the central business area safe for all. The department uses “live scan” technology for the recording of arrestee fingerprints. The budget this year includes funds to replace the existing machine which is reaching the end of its useful life. A new machine will assist in keeping booking processes working efficiently for years to come.

Public Works

In FY11-12, the Public Works Department continued its focus on best value service delivery and infrastructure enhancement.

The Public Services Group continued a sustainable approach for addressing the Emerald Ash Borer (EAB) infestation in ash trees. The City removed 674 ash trees and focused on replanting the trees that have been removed within the framework of a policy that is budget sensitive and respectful of the City’s urban forest. In addition, the Public Services Group was able to avoid considerable costs for snow removal this past season because of abnormally low amounts of snow and above average temperatures.

The Environmental Services Group completed construction of a radium removal facility serving the downtown area. The results of this project are continued compliance with EPA regulations for radium, improved water quality, and additional capacity to the water system. The project was funded with an IEPA low-interest loan.

The reliability of the Electric Services Group was the best in 10 years. The electric utility installed its first Local Distribution Center (LDC) substation near Kirk Road at the new R.R. Donnelly facility. This new practice will continue to provide an opportunity to improve reliability and capacity while reducing overall cost.

The Engineering Group focused on Route 64 from 7th Street to Dunham Road. The Illinois Department of Transportation (IDOT) roadway improvement project focused on upgrading the City water main system as the first phase of a larger Route 64 widening project.



Budget Message and Overview

The first phase of Red Gate Bridge construction began in late spring of 2011 and focused primarily on mass grading, clearing, tree removals and the roadway bridge over the bike trail located along the eastside of the river. The project proceeded on time and on budget.

FY12-13 will be marked by the continued Public Works emphasis on high value and necessary projects to improve the efficiency and operability of the City infrastructure. These important projects will serve our community for many years into the future.

The Environmental Services Group has budgeted for the demolition of the existing Main Treatment Plant Biosolids Building and construction of a new facility in its place. The original building dates back to the 1930's with multiple additions being added over the years. The age and the structural integrity of the building validate the need for replacement of this facility. The Public Works Department anticipates the project being financed via an Illinois Environmental Protection Agency (IEPA) low-interest loan.

In addition to the Main Wastewater Treatment Plant enhancement, the Environmental Services Group has budgeted for the design, rehabilitation, and replacement of the Royal Fox Lift Station. This lift station is approximately twenty-five (25) years old and at the end of its useful life. The integrity of the structures and equipment are in question due to the corrosive conditions.

The Electric Services Group will install a second LDC substation near the Red Gate Road bridge project and complete a connection that will significantly improve reliability between the circuits on the east and west sides of the Fox River. In addition, the Electric Division continues implementation of projects related to the 10-year facility plan and proactive preventative maintenance aimed at improving reliability performance. One such project will be the replacement of a failed substation transformer.

The Route 64 and Oak Street intersection improvements project is designed to improve the safety and conveyance of both vehicular and pedestrian traffic at the intersection of Route 64 and Oak Street. The project is scheduled to begin in May and be complete by August.

The Route 64 from 7th Street to Dunham IDOT roadway improvement project will focus on roadway widening in specified locations, installation of new center access lane, grinding and resurfacing, new curb and sidewalks, replacement of utility infrastructure (water main), new street lights, and traffic signal improvements. The IDOT project is planned to commence in spring of 2012 and completion is planned for August of 2013.

The second phase of Red Gate Bridge construction is expected to begin in the spring of 2012 and will involve the construction of the new bridge over the Fox River, roadway extensions to Route 31 and Route 25, water main extension across the river, bike path extending below the roadway bridge, and final restoration. The new bridge and roadway is expected to be open to the public late in calendar year 2012 with the completion of all restoration in the spring/summer of 2013.



Budget Message and Overview

As you can see from all of these projects, there is a great deal planned for FY12-13 to improve the quality of our community and our organization.

Summary of Changes in Personnel

The largest single expense in the City’s budget is for our people. We are a service organization and the cost of salaries, benefits, and other related personal services expenses make up approximately 60% of the City’s General Fund and 70% of operating expenses.

During FY11-12, the City offered a Voluntary Separation Incentive (VSI) Program that allowed employees the opportunity to receive a combination of severance pay and health insurance coverage to separate from service. The program was a success as 17 employees elected to participate and the City was able to achieve financial advantages by not filling or modifying positions that were vacated.

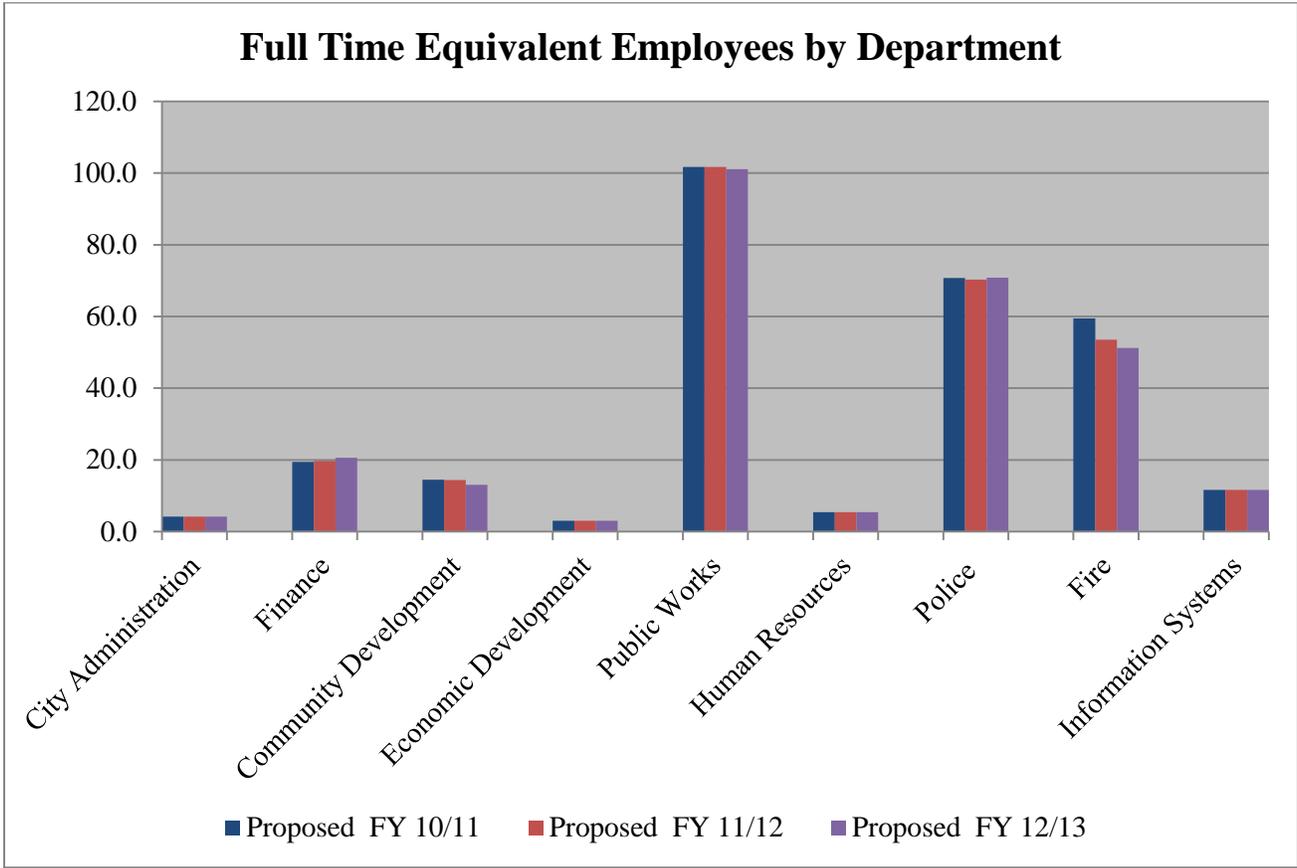
There are 2 new employees being proposed for FY12-13. These are both clerical employees – 1 for the Board of Fire and Police Commissioners and 1 for the Finance Department.

The number of full-time equivalent positions (FTEs) for FY12-13 has been reduced to 281. This represents a reduction of approximately 3 FTEs from the FY11-12 budget. The full-time equivalents are determined by calculating the total number of projected hours budgeted within each department and dividing that by 2,080 hours (40 hours/week multiplied by 52 weeks/year).

Full Time Equivalent Employees by Department			
Department	Proposed FY 11/12	Net Change FY 11/12	Proposed FY 12/13
City Administration	4.2	0.0	4.2
Finance	19.7	0.9	20.6
Community Development	14.4	-1.4	13.0
Economic Development	3.0	0.0	3.0
Public Works	101.7	-0.6	101.1
Human Resources	5.4	0.0	5.4
Police	70.3	0.5	70.8
Fire	53.5	-2.3	51.2
Information Systems	11.6	0.0	11.6
Total FTE	283.8	-2.9	280.9



Budget Message and Overview



Staffing at the City has been reduced in response to the declining economy.

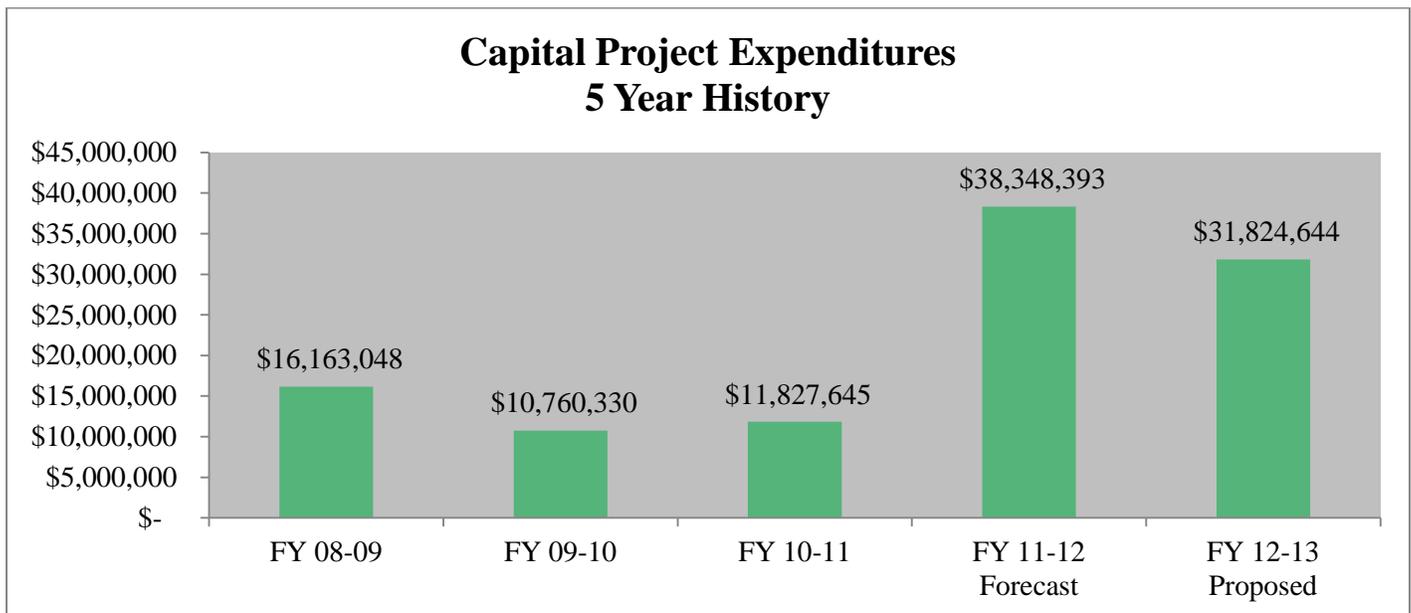


Budget Message and Overview

Capital Projects

The City will undertake almost \$31.8 million in capital projects in FY12-13. Of this amount, \$15.8 million is budgeted for projects within the City’s three major enterprise funds – electric, water, and sewer.

Capital projects will continue, with the emphasis on projects that have been started in prior fiscal years, including the Red Gate Bridge project, the reconstruction of East Main Street and the construction of a new Wastewater Biosolids facility.



Capital project expenditures are expected to decrease by approximately 17.0% in FY12-13.

The City will continue its annual program of pavement rehabilitation and repair of City streets. This year, work will be completed on several streets, including:

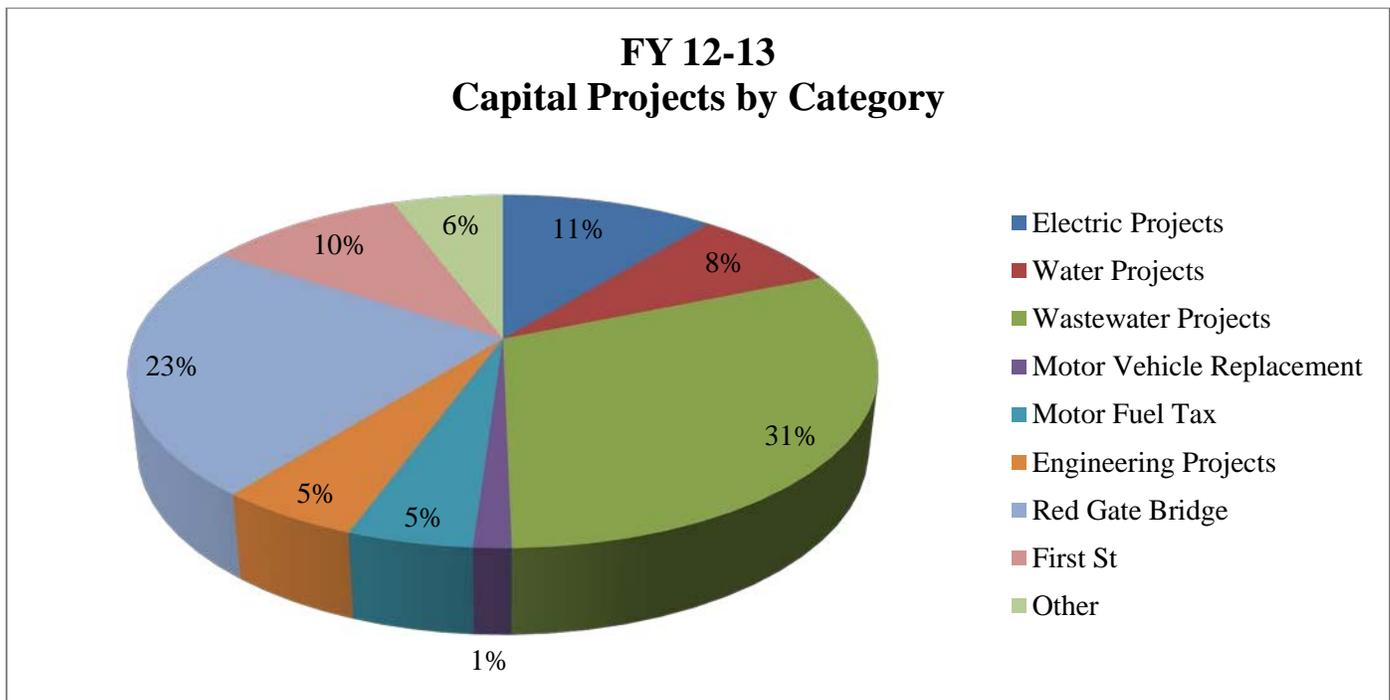
- Horne Street from 12th Street to 14th Street
- Marie Street from Horne Street to its termination point
- N. 5th Street from State Street to Cedar Street
- Cedar Street from 7th Street to 2nd Street
- Katharine Avenue from Prairie Street to Horne Street
- S. 7th Court from Fellows Street to Gray Street
- Thornhill Farm Lane from Meadow Drive to Route 31



Budget Message and Overview

- Madison Avenue from 6th Avenue to 7th Ave.
- S. 12th Street from Horne Street to Fellows Street

The City’s Enterprise Funds (Electric, Water, and Sewer) will also see significant investment in capital infrastructure. Substantial enterprise fund projects for the coming year include the Wastewater Biosolids Facility, water and sewer improvements along Illinois Route 64/East Main Street, water and electrical crossings of the Fox River in conjunction with the Red Gate Bridge project, and planning for a new elevated water storage facility on the former site of the Little Woods School site.



The “Other” category includes projects of less than \$300,000 each in the areas of communications, central support, police, fire, fleet, streets, facilities, and storm sewer.

Significant capital projects (those costing \$500,000 or more) are as follows:

- Red Gate Bridge - \$7.4 million
- Electric duct along Red Gate Bridge - \$800,000
- Fox River watermain crossing along Red Gate Bridge – \$1.3 million
- Biosolids Handling Facility and Equipment - \$9 million
- Royal Fox Lift Station Replacement - \$550,000
- Bob Leonard Riverwalk – Phase 2 - \$600,000



Budget Message and Overview

- Illinois Route 64/West Main Street at Oak Street intersection improvements - \$1.5 million
- Annual Street Resurfacing Program - \$938,000
- Replacing substation transformer - \$600,000
- Installation of Local Distribution Center (Electric) - \$500,000
- Removal of Emerald Ash Borer Trees - \$714,000

The City of St. Charles will continue to pursue grant funding opportunities for its capital projects. As an example, the Red Gate Bridge project is slated to receive over \$12 million in state and federal grants for the construction of the bridge.

Debt Summary

In FY12-13, it is anticipated the City will issue approximately \$17.9 million in new debt. The bonds will include:

- \$1 million for engineering projects
- \$2 million for electric system improvement projects
- \$4.2 million for Red Gate Bridge (RGB)
- \$2.6 million for the Emerald Ash Borer (EAB) Tree Removal program
- \$1 million for water improvement projects
- \$9.5 million for wastewater improvement projects, including \$9 million for the biosolids facility

FY 12-13 Debt Summary				
Fund	Current	New	Purpose	Outstanding for FY 12-13
General	\$ 45,438,849	\$ 7,869,944	Engineering, Red Gate Bridge and Emerald Ash Borer Tree Removal/Replacement	\$ 53,308,793
TIF	\$ 37,300,000			\$ 37,300,000
Electric	\$ 8,006,777	\$ 2,050,000	Electric System Improvements	\$ 10,056,777
Water	\$ 7,811,972	\$ 1,080,000	Water System Improvements	\$ 8,891,972
Wastewater	\$ 16,865,022	\$ 9,536,000	Wastewater System Improvements	\$ 26,401,022
TOTAL	\$ 115,422,619	\$ 17,935,944		\$ 135,958,563

With the issuance of these bonds, the total amount of debt outstanding will grow to \$136 million. This represents \$4,123 in debt per capita.



Budget Message and Overview

Enterprise Funds Summary

The City's Enterprise Funds – so named because they operate much like separate business units or enterprises – are intended to be fully self-supporting, receive no tax support, and operate exclusively on the revenue generated from the rates paid by customers.

Due to declining consumption levels and recent financial performance of its utilities, the City contracted with RW Beck, a firm with nationwide expertise, to perform a comprehensive rate study of all its utilities. This rate study was concluded during April 2011 and accepted by the City Council on May 2, 2011. RW Beck made many suggestions for changes to the City's utility rate structure. Several of these changes were implemented in the 2011-2012 fiscal year. City staff updates the rate study recommendations on an annual basis and proposes a rate structure for the next fiscal year taking into account the latest data regarding financial performance of each of the individual utilities.

During the performance of the Electric Rate Study, it was determined that the City will no longer need to charge different rates for summer and non-summer electric consumption. This is possible because of the production-based cost of wholesale power under the City's current power purchase contract. Therefore, in 2011-2012, the City began a long term process of narrowing the gap between the summer and non-summer electric rates. This process is continuing for the 2012-2013 budget year.

Additionally, it has been noted that the City's fixed monthly service charge is no longer keeping pace with the City's fixed costs to run the Electric Utility. This places the financial health of the utility in jeopardy during prolonged periods of decreased consumption as have been experienced recently.

Because of these two primary factors, the following changes to the electric rate structure are proposed for FY 12-13:

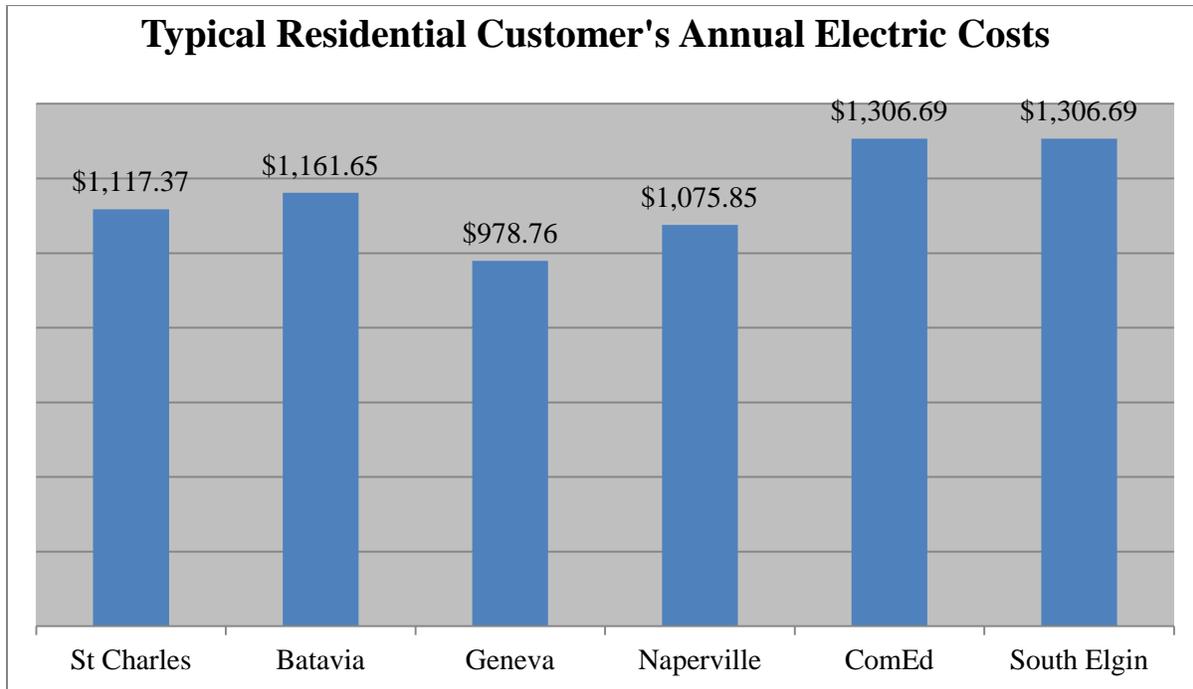
- The monthly service charge will be increased from \$8.50 to \$10.00
- Non-summer energy consumption charges will be changed from 8.38 cents per kwh of consumption to 9.13 cents per kwh
- A decrease in the residential rate for kwh consumed in excess of 1200 per month from \$0.12 to \$0.11

Targeted rate adjustments to address specific areas of concern within the utility are a relatively recent addition to the City's approach. Previously, annual rate increases typically happened "across the board" and applied to all rate, seasonal, and customer classes.

It is anticipated that the resulting increase to a typical residential customer will be approximately \$4.56 per month.



Budget Message and Overview



Rates will also be adjusted in the Water and Sewer utilities during FY12-13. The City had historically followed a practice of utilizing non-rate revenues to subsidize the operations of these utilities. Therefore, the rate structure will need to be adjusted so that the rate structure provides adequate funding to provide water and sewer service to the City's utility customers.

For the water utility, changes to the rates for consumption and monthly service will occur on May 1. It is anticipated that these changes will result in an average monthly increase of \$2.53 for a typical residential customer.

The Sewer Fund will see an adjustment of the monthly sewer treatment volume charge and an increase to the monthly service charge on May 1. It is anticipated that these changes will result in an average monthly increase of approximately \$3.50 to the average residential customer's sewer bill.

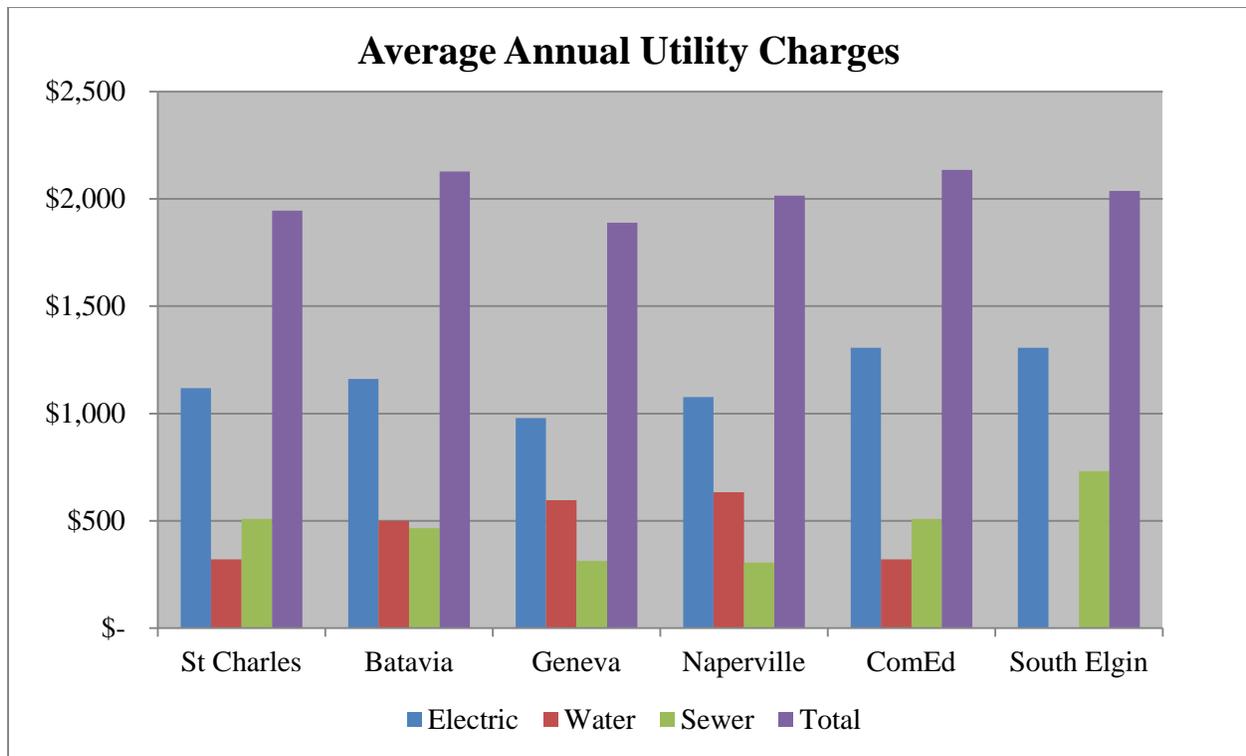
The goal of the utility rate study is to assure that the City's rate structure is adequate to finance the costs of providing utility service and also to assure that the rate structure matches the manner in which those costs are incurred. The proposed changes will help to meet that goal and also to assure that the utilities remain fully self-supporting, are funded entirely by rates paid by customers, and receive no tax revenue support. The second



Budget Message and Overview

goal of the City’s rate structure is to assure that adequate resources exist to make necessary improvements and upgrades to the City’s utility infrastructure so that our residents continue to receive the reliable, high quality utility service that they demand.

As shown on the chart below, even with these changes to the utility rate structure, the City’s proposed utility rates for FY 11-12 will result in lower annual utility charges than the utility charges at other area communities.



Note: the Sewer charge shown for South Elgin represents a combined water/sewer charge.



Budget Message and Overview

Conclusion

The City's FY12-13 budget allocates appropriate resources for all of the things that a great community should provide – quality services to meet a variety of needs, enhancements to infrastructure, investments in personnel, and support for community organizations. More importantly, the document reflects a balanced financial plan that fulfills our vision of a *City organization that maintains an optimal service delivery framework that balances resources with needs.*

The budget minimizes the burden by holding the line on taxes and fees, restores programs and services that were suspended during the worst of the recession, and enhances the physical infrastructure of the community to meet future needs. In formulating the plan, we have demonstrated characteristics of great organizations – creativity, patience, understanding, thoughtfulness, and determination - by making decisions that are best for the members of our community and our organization.

We want to thank all City departments for taking the time to closely scrutinize their budgets this year. We must also recognize the tremendous efforts of staff in the Finance Department who helped to facilitate the budget preparation. Julie Herr, Jill Ghiotto, Terry Barth, Kim Diehl, Lynn D'Avico, Alpa Patel, and Pat Matejovsky all worked diligently so that this document could be presented.

The proposed budget continues to sustain a very high level of service to the community. It maintains a service delivery framework that balances resources with needs. It reflects financial investments that are made based on the strategic priorities of the Mayor and City Council. And, the budget demonstrates why St. Charles is recognized as the #1 City for Families.

We submit this budget for the consideration of the City Council, and recommend its approval.

Donald P. DeWitte
Mayor

Brian A. Townsend
City Administrator

Christopher A. Minick
Director of Finance

Policies

How to Review this Plan II-2

Budget Process II-3

Budget Timeline II-4

Fund Balance Disclosure II-5

Policy Goals II-6

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How to Review This Plan

We hope we have developed a budget document that is easy for the lay reader to use, yet comprehensive for the experienced reader. Following is a brief description of the major sections of the budget along with page numbers.

Budget Summary (Section I)

Here you will find a comprehensive review of the City's budget process and timeline.

Policies (Section II)

This section lists general City policies. The planned implementation of these goals is also explained.

Financial Trends (Section III)

This section is provided for financial analysis of community growth, comparative trends, revenue trends, expenditure trends, balance sheet trends and debt service trends.

Community Profile (Section IV)

You will find useful statistics as well as some facts of interest on St. Charles.

Budget by Funds (Section V)

There are two reports in Section V. The first report is a fund summary for the proposed budget year. It shows the total revenues and expenditures for each fund along with a projection of available fund balance. The second report is prefaced by a description of the City's funds and is followed by very detailed reports of revenues and expenditures by fund. It includes past history, history of fund balances/equity, fund descriptions and charts and graphs.

Capital Improvements (Section VI)

Section VI of this plan is our Capital Improvements Plan. In this section we have a Capital Improvements Summary, which assists with understanding capital spending by fund and department for the proposed budget year and the three following fiscal years. A detailed listing by department is also provided for each year.

Appendix (Section VII)

We have incorporated charts, graphs and tables throughout the budget. There is additional information, however, that some readers may find useful that we have included in the appendix.

Glossary (Section VIII)

Included in the glossary are common terms as well as many acronyms used throughout the budget that are specific to the City.

Budget Process

Budgetary Controls

The City's budgetary operations are governed by the Budget Act as provided for in the Illinois Compiled Statutes and administered by the Director of Finance. Under the Budget Act no appropriation is required to be passed and an annual budget must be adopted prior to the year the funds will be expended. St. Charles' fiscal year begins May 1. The City adopts annual budgets for the General, Special Revenue, Debt Service, Enterprise, Internal Service, and Capital Projects Funds. Budget reports are run at various levels to allow for analysis, from very broad (by Fund) down to a detail object basis. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Review & Development

Each year in November or December, the Staff presents a "Mid-Year Budget Update" to the Government Operations Committee. During this review, the financial results of the first six months of the current fiscal year are reviewed and the staff, with the advice and consent of the Government Operations Committee, outlines the parameters and objectives for the upcoming budget process during the late autumn and winter.

After this meeting, Department Directors prepare their individual departmental budgets in conjunction with the parameters outlined in November. The budgets are then entered into the budgeting and planning software by departmental staff. Typically, budgets must be entered by the middle of January. The budget data is compiled and budget meetings are held with the City Administrator and Finance Director and the individual Department Directors to discuss their initial requests. They review major operating changes, discuss objectives and review requests for capital expenditures. They also coordinate and combine requests and discuss thoughts on more efficient methods to accomplish the department's and City's objectives. Any unjustified items are eliminated from the budget at this time.

In early March, the City Administrator and Finance Director begin meeting individually with City Council members to present the budget and discuss concerns they may have. The budget is then revised based on the outcome of these meetings.

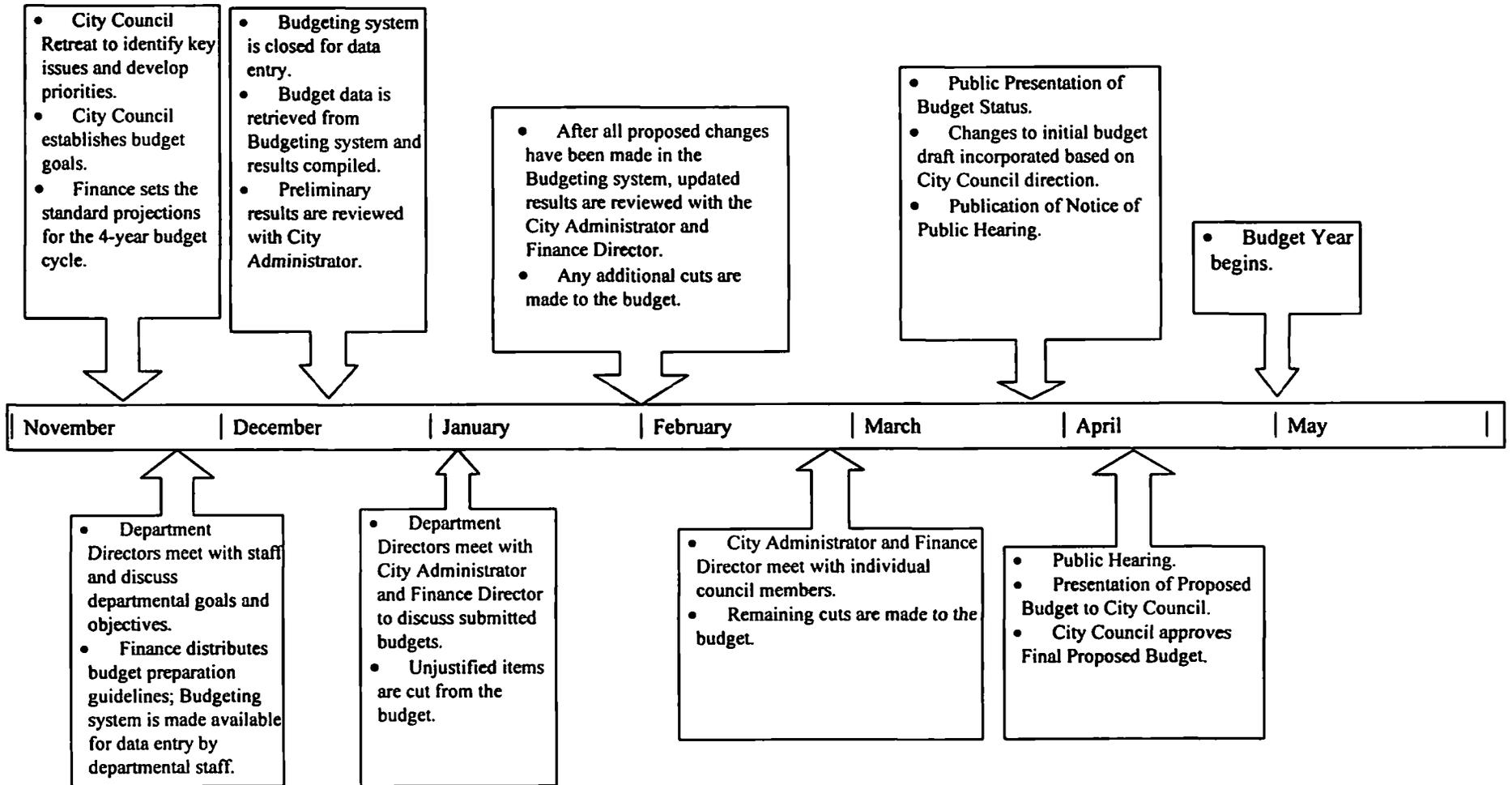
Adoption

The City must make the tentative budget available for public inspection at least ten days prior to passage, and notice of a public hearing must be published in a newspaper having general circulation at least one week prior to the hearing. After the public hearing is held, the budget may be further revised and passed without any further inspection, notice or hearing. St. Charles' budget is usually passed at the second Council meeting in April.

Revisions

After the budget is passed, a change may become necessary. The same guidelines are followed whether there is an increase, decrease or lateral line item transfer. A budget revision form is filled out listing the type of request and justification for the revision. The Finance Director must then approve the revision form. Revisions are presented to the City Council monthly and require a two-thirds vote of approval. No revision is made to increase the budget in the event funds are not available to effectuate the purpose of the revision.

Budget Timeline



Fund Balance Disclosures

Governmental Fund Balance Categorizations

Governmental funds equity (difference between assets and liabilities) is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. These categories and City Council action (if applicable) at April 30, 2012, in conjunction with the approval of the FY 12-13 budget, are described as follows:

Nonspendable Fund Balance

Represents fund balances which are either not in spendable form or legally or contractually required to be maintained intact.

Restricted Fund Balance

Represents fund balances which are constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or self-imposed by enabling legislation.

Committed Fund Balance

Represents fund balances that have self-imposed limitations put in place by formal action by the City Council. Formal actions include resolutions and ordinances approved by City Council.

Assigned Fund Balance

Represents fund balances that have limitations due to being earmarked for an intended use. Authority to assign fund balances is designated to City staff as disclosed in a later section.

Unassigned Fund Balance

Represents total General Fund balance in excess of nonspendable, restricted, committed and assigned fund balances. The categorization only applies to the General Fund. Unassigned fund balance is available and expendable for any General Fund purpose. Deficit fund balances in any other governmental fund will also be reported as unassigned.

Governmental Fund Flow Assumptions

The City's flow assumptions are stated in the FY 12-13 budget document to allow for implementation of GASB 54 in FY 11-12. The flow assumptions are based on GASB 54 definitions. The City will spend the most restricted fund balances first, in the following order:

1. Restricted
2. Committed
3. Assigned
4. Unassigned

This flow assumption allows the City to have the most financial flexibility.

Authority to Assign Governmental Fund Balances

The City's determination of authority to assign fund balances is stated in the FY 12-13 budget document to allow for implementation of GASB 54 in FY 11-12. Authority to determine assigned fund balances is conveyed to both the Finance Director and the City Administrator.

Policy Goals

Prior to May 1 of each year, the City Council adopts a formal budget for the upcoming fiscal year and estimates revenues and expenditures for three subsequent years. The following policy goals explain how the City arrives at the various decisions of “what” to include in its budget.

The City has four types of policies; *General, Operational, Debt, and Budgetary.*

General Policies

Policy goal: Create an economic environment that will encourage businesses to locate in St. Charles and create opportunities for existing businesses.

St. Charles has long been recognized as a desirable place to live and work. This is evidenced by the steady growth in population and sales tax revenue. It is important for the City to continue to develop an environment that will encourage economic development. Without meaningful economic development, and economic revitalization, property taxpayers will need to absorb more of the burden to support City services.

Implementation: The City is taking an operative role in its economic development. The Economic Development Department actively markets St. Charles to developers, retailers, and commercial realtors. It was realized that the downtown area lacked adequate parking and the City’s first parking deck was completed. In an effort to keep in touch with the needs of local business, the Mayor, City Administrator, and Director of Economic Development have been visiting various industries to listen to their input and learn more about their operations. Additionally, the City has passed an Economic Development Policy.

Policy goal: Seek a ratio of equalized assessed value of two-thirds residential and one-third commercial /industrial.

A community represents an ecological unit in many respects. Commercial businesses need customers, industrial businesses need workers, and residents rely on both. The balance among these elements will determine whether the community can remain viable over time. Therefore, it is important for the City to maintain the most optimum mix of residential and business segments.

Implementation: The City has maintained a balance of approximately 69% residential to 22% commercial and 9% industrial for the past ten years. It is anticipated that the next four years will maintain this ratio.

Policy goal: Investment practices should have avoidance of risk as the primary objective. Secondly, practices should provide for the liquidity, diversification, and lastly, yield.

Investment practices are driven by two countervailing principles and an investor must choose which controlling principle to use. Accepting a high risk generally means greater returns over the long run. However, the risk tolerance of a public agency is minimal and the first consideration must always be risk avoidance.

Implementation: The City maintains its own investment policy addressing these broad policy issues as well as other investment practices. In addition, the monthly Treasurer’s Report includes investment formation about terms, portfolio breakdown, and yields.

Budgetary Policies

Policy goal: Maintain available fund balance (working capital) of at least 25% of operating expenditures for the General Corporate Fund and 25-50% for enterprise funds.

In order to allow for seasonal variances and funding emergencies we have established a policy of always maintaining a working capital balance as described above. Available fund balance is defined as the difference between current assets, not including inventory (i.e. cash, investments, accounts receivable), and current liabilities (i.e. accounts payable, accruals, and contracts payable).

Implementation: The proposed budget will meet the above policy for the General Fund. Challenges have been encountered and are anticipated in maintaining this policy over the long term for the City's utility enterprise funds. For this reason, the City contracted with RW Beck and Company to complete a utility rate study which was completed in April 2011. The City is implementing a rate structure that incorporates the findings of the rate study. It is anticipated that the planned rate structure will return all of the utilities to a self-sustaining status and the reserve requirements for the enterprise funds will be realized over the long term.

Policy goal: Prepare an annual budget for the upcoming year and a projection of revenues and expenditures for three subsequent years.

The City needs to understand the impact of current budget decisions on future years. Operating expenditures could be increased to financially imprudent levels and appropriate capital requests deferred if the long-term implications of budget decisions are not clearly understood.

Implementation: The proposed budget is for a four-year period and includes estimates of all operating and non-operating revenues and expenditures.

Policy goal: The budget, to the extent practical, shall be prepared on a basis consistent with generally accepted accounting principals (GAAP).

The budget is prepared on a basis consistent with GAAP except for certain items that are adjusted on the City's accounting system at year-end. During the year, the City's accounting system is maintained on the same basis as the adopted budget. This enables departmental budgets to be easily monitored via accounting system reports on a monthly basis. The major differences between this budget and GAAP for governmental funds are: a) certain revenues and expenditures (e.g., compensated absences), are not recognized for budgetary purposes are accrued (GAAP); and b) self-insurance contributions are recognized as expenditures for budgetary purposes only.

Enterprise fund differences consist of the following: a) certain items (e.g., principal expenditures and capital outlay) are recorded as expenditures for budgetary purposes as opposed to adjustments of the appropriate balance sheet accounts (GAAP); and b) depreciation is recorded as an expense (GAAP) and not recognized for budgetary purposes.

Implementation: The proposed budget reflects the above method of accounting.

Policy goal: Submit a budget annually to the City Council that is within the City's ability to pay.

The City Council attempts to effectively review the budget in a short period of time. Through attendance at monthly committee meetings, the staff is well aware of council priorities and can prepare a budget within these priorities. In order to limit the Council's review to important policy issues, the staff shall submit a proposed balanced budget to the City Council. Upon submittal to the council, the budget can be changed in any manner desired by the Council.

Implementation: The proposed budget submitted to the City Council is within the City's ability to pay as the tables on pages V-3 through V-6 indicate.

Policy goal: A monthly treasurer's report shall be submitted to the City Council that will include a consolidated balance sheet, summarized statement of revenues and expenditures, analysis of investments, and a narrative explaining any significant variances.

It is difficult for the Council to review the City's financial activities in great detail; however it is imperative that they are made aware of any unusual occurrences throughout the year. The Treasurer's Report is the means by which this can be done.

Implementation: A monthly treasurer's report is provided with all of the reports indicated.

Policy goal: Estimate revenues and expenditures realistically taking into account those that have a high degree of elasticity.

Revenues and expenditures should be estimated realistically, however, care must be taken to understand the changes that can occur because of unforeseen economic events.

Implementation: The budget plan followed this guideline. For example, connection fees are estimated very conservatively. Additionally, in the past the City Council has directed Staff to evaluate and prioritize services and programs offered in response to anticipated revenues shortfalls caused by prevailing economic conditions at those times. In other words, the City has prioritized services and adjusted budgeted expenditure levels to equal anticipated revenue streams.

Operational Policies

Policy goal: Assess user fees wherever the cost of service can be logically associated with the user of a service and the implementation of a user fee is economically justified.

In line with the City's policy to maintain tax rates as low as possible, it shall assess user fees for those services which can be identified as benefiting a specific group of users. User fees will only be used where the cost to assess the fee is not economically excessive.

Implementation: This budget anticipates adjustments to the City's utility rate structure. Further changes to the utility rate structure will occur in future years to implement the results of the utility rate study on an ongoing basis. The City shall also seek to remove applicable elements of risk related to the generation price of wholesale electricity purchases. Any adjustments to the rate structure will seek to match the revenue stream to the amount and the method in which the utility incurs expenses.

Policy goal: Pay current operating expenses from current revenues.

Only revenues that will be annually available will fund ongoing expenses. Services will not be expanded beyond the City's level of current operating revenues.

Implementation: The proposed budget will meet the above policy.

Debt Policies

Policy goal: Confine long-term borrowing to a time period not to exceed the useful life of the equipment or project.

Extending financing beyond the useful life of a project is a clear sign of financial trouble and is indicative of an organization that is living beyond its means.

Implementation: The City has been financing improvements and equipment in accordance with the anticipated useful life of the asset acquired.

Policy goal: The City will fully disclose information in its financial reports and official statements.

The attitude of full disclosure must pervade all financial reporting in order to maintain public trust, and the confidence of investors and rating agencies.

Implementation: This has always been our practice.

Policy goal: The City will restrict current activities to a point where all bond covenants will be met.

It is important to meet all obligations of the bond covenants, both from a moral and legal standpoint. Our ability to meet these covenants will also reflect on how rating agencies view the City.

Implementation: The City is currently meeting all bond covenants.

Policy goal: Debt service should not exceed 10% of operating expenditures for the General Corporate Fund and 15% for the enterprise funds.

The City has recognized a stated level of debt it believes can be managed. If the City approaches any amount beyond the established levels, then it could signal the City is “living beyond its means.”

Implementation: The City currently meets this standard and shall continue to do so.

Policy goal: Capital expenditures of less than \$500,000 will not be financed.

We have determined the City should be able to “pay as we go” for any capital item of less than \$500,000. Issuance and administrative costs, portions of which are fixed, added to the interest rate obligation, become excessive at levels below \$500,000.

Implementation: Although there may be financing proceeds of less than \$500,000, this is only the result of a continuation of projects that totaled more than \$500,000 but crossed fiscal years.

Financial Trends

<u>Community Growth Trends</u>	<u>III - 3</u>
<u>Comparative Trends</u>	<u>III - 5</u>
<u>Revenue Trends</u>	<u>III - 8</u>
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<u>Enterprise Fund Trends</u>	<u>III - 14</u>
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Comparisons and Trends

Financial Condition – “A local government’s ability to finance its services on a continuing basis.”

In order to prosper, municipalities must be keenly aware of their financial health. Local officials must monitor, analyze, and respond to changing environments in order to insure their municipality’s present and future viability. If local governments fail to be financially proactive, the consequences can be dire.

Trend analysis allows the City of St. Charles to monitor changes and anticipate future problems. This section identifies the factors that affect financial condition and rationally arranges them to facilitate analysis and measurement. This information serves as a management tool by pulling together information from City documents and combining it with relevant economic and demographic data. The end result is a report based on a series of financial indicators that, when plotted over time, can be used to monitor changes in financial condition and alert City officials to future problems. This report contains indicators that are grouped together into seven categories, those being:

Community Growth Trends – These indicators were developed to provide information about trends in the community that influence the financial performance of the City. A community that is growing will have certain pressures placed upon it as well as the financial gains it may realize as a result of this growth.

Comparative Trends – This data compares the financial health of the City to its “comparable communities.” St. Charles competes with other municipalities for tax dollars. In addition, neighboring communities can place demands upon the City’s infrastructure.

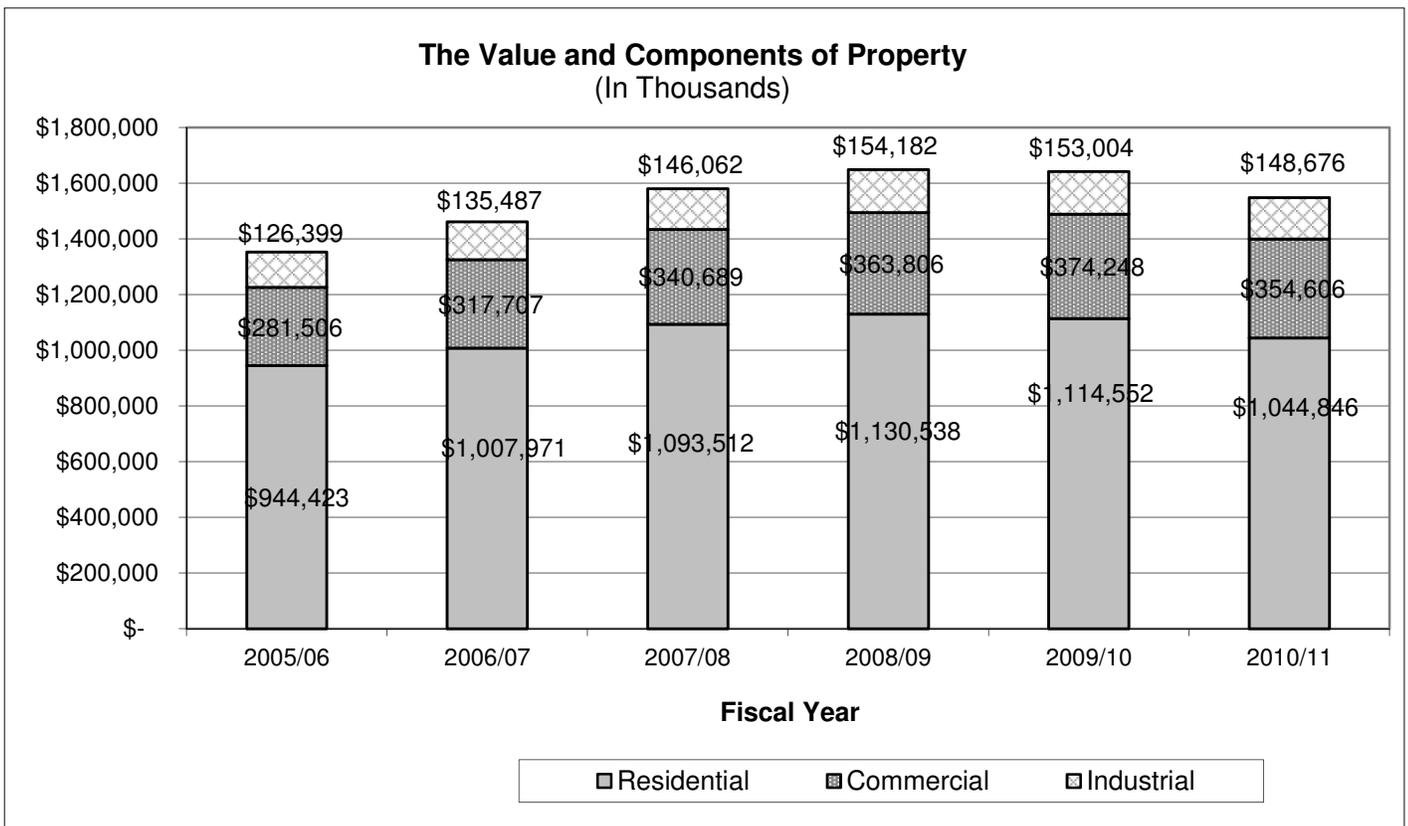
Revenue Trends – These revenue trends provide detailed analysis concerning the City’s property and sales tax base. In addition, any other significant revenue sources are included in this section.

Expenditure Trends – Understanding the City’s revenue trends only presents a portion of the City’s financial picture. Expenditure trends are analyzed in conjunction with revenue in order to understand the relationship between the two.

Enterprise Fund Trends – This information focuses on the City’s business-type activities, also known as enterprise funds. Business-type activities include electric, water, sewer, and refuse services. These trends evaluate revenues, expenditures, and fund balances. Enterprise fund operations are intended to be financed entirely by user charges for the utility service provided. They are not anticipated to be subsidized by tax revenue.

Debt Service Trends – Debt service trends provide an overview of the City’s debt picture by including charts that illustrate general obligation debt and overlapping debt from other jurisdictions. These indicators monitor how the City is fairing in both regards.

Community Growth Trends: Property



Residential property makes up approximately 67% of the City's total equalized assessed value, compared with 23% for commercial properties and 10% for industrial sites.

Indicator Description

Property in Illinois is assessed at 1/3 its fair market value, and the assessed value is the base for the property tax rate.

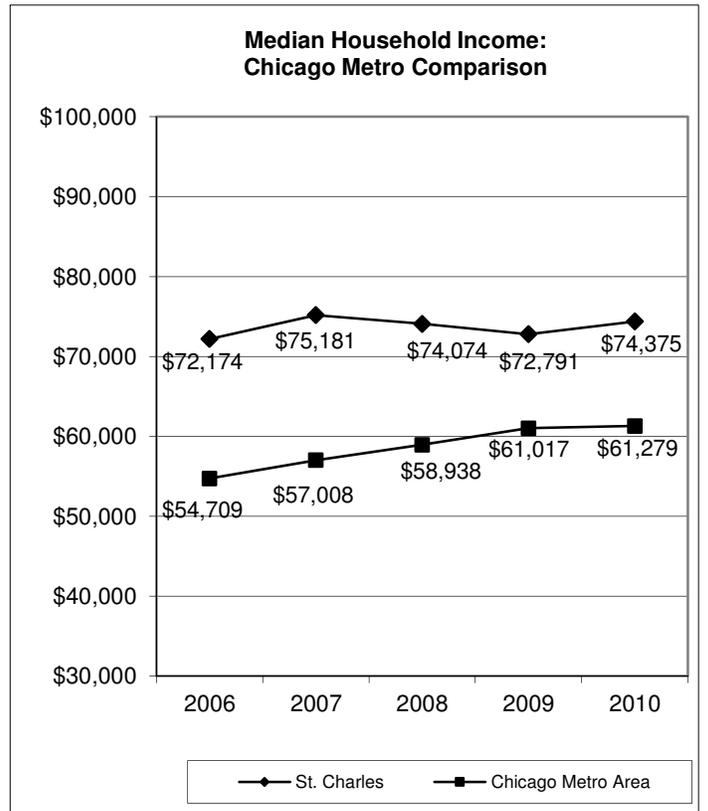
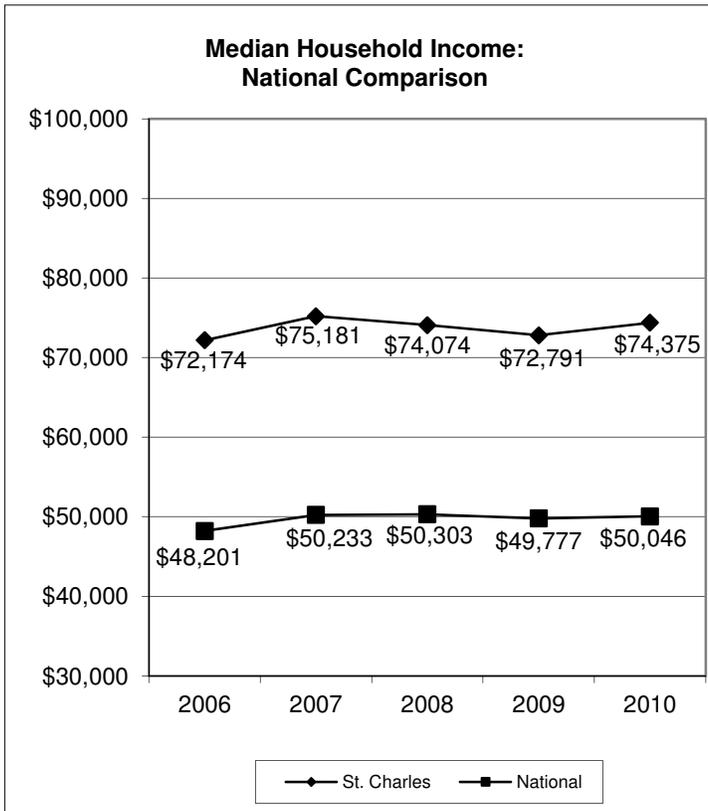
Trend Analysis

Assessed valuations for St. Charles have increased by approximately 14.52 % for the period under review. The City has also been able to maintain an appropriate balance between development types. Since 2005/2006, the City has witnessed increasing assessed property values in each area; residential (11%), commercial (26%), and industrial (18%) even though the recent trend in valuations has been a decline. For 2011/2012, we anticipate a decline in property values of approximately 6% due to generally prevailing economic conditions.

Traditionally, St. Charles has been able to maintain a well-diversified tax structure, since sales tax could be relied on as a major funding source. However, increased competition from neighboring communities for sales tax dollars increases the City's reliance on property taxes to maintain and enhance current services. The City should maintain a diversified tax structure for overall sustainability and continued financial health.

Source: St. Charles Comprehensive Annual Financial Report (CAFR)

Community Growth Trends: Income



The median income in St. Charles continues to rise and remains well above average when compared to national and regional estimates.

Indicator Description

Median household income is one measure of a community's ability to pay taxes: in theory, the higher the household income, the greater the ability to pay taxes. Credit rating agencies use this indicator as one measure of a local government's ability to repay debt. These agencies compare income with per resident governmental expenditures to determine whether growth in income is keeping pace with growth in expenditures.

Trend Analysis

Median household income for the City of St. Charles is considerably higher than the national average of \$50,046 (2010) and 21% higher than the Chicago Metro average of \$61,279, which provides for a stable tax base. St. Charles, nevertheless, has traditionally not relied exclusively on its resident property tax base. Sales tax revenue, the single largest revenue source in the General Fund, applies to visitors as well as residents.

Source: U.S. Census Bureau and projections

Comparative Trends: Utility Rate Comparison

Tri-City Utility Rate Comparison 2012						
		St. Charles		Geneva		Batavia
Electric	\$	1,123.63	\$	978.76	\$	1,161.65
Water	\$	277.04	\$	596.25	\$	500.20
Sewer	\$	483.42	\$	313.59	\$	466.24
TOTAL		\$1,884.09		\$1,888.60		\$2,128.09

The rates used were reported within the ordinances of St. Charles, Geneva and Batavia as of January 1, 2012 based on 1,000 kwh of electricity and 11,000 g. of water usage per summer month and 700 kwh and 7,000 g. usage per winter month

Indicator Description

This chart shows the total amount of money a typical household would pay for public utilities including all local and state taxes as of January 1, 2012. The public utilities are operated as businesses and financed by user charges. Private businesses consider utility costs when making decisions on the location for their facilities. It is therefore important to be competitive with neighboring jurisdictions.

Trend Analysis

Overall, the City's utilities are very competitive with those of Batavia and Geneva. A resident of St. Charles pays less in total for these three utility services. While St. Charles residents pay more than Geneva's for sewer services, the City has invested those additional funds into the system to improve its efficiency and prolong its life. The recent rate increases in Batavia have since brought their sewer costs in line with St. Charles.

St. Charles' and Batavia's long term power contracts terminated in 2007, as Geneva's did in 2005. The ability to secure affordable wholesale power has impacted electric rates. In 2007, Geneva and Batavia added a "purchased power adjustment factor" (PPAF)¹ on all of their customers' electric bills which reflects market changes. St. Charles has been proactive in planning for future electricity cost and joined the Illinois Municipal Electric Agency (IMEA) to manage our power cost in an efficient manner. The City's wholesale power purchases contract is based on IMEA's costs to produce and provide power to the City of St. Charles. It should be noted that regulatory changes which increase electrical power generation or transmission and distribution costs will have an impact on the rates charged for electricity.

¹ In Geneva, the PPAF is called a Power Cost Adjustment Factor (PCAF).

Source: City utility rate survey and City Ordinances

Comparative Trends: Tri-City Comparison

Tri-City Household Comparison				
Annual Municipal Service Tax Burden 2011-2012				
	Usage per Month/Value	St. Charles	Geneva	Batavia
Electric Franchise Fee	1000/700 kwh ¹	\$ 53.13	\$ 23.90	\$ 39.97
Gas Utility Tax	\$89.00	\$ -	\$ 53.04	\$ 42.43
Telecommunications Tax	\$75.00	\$ 45.00	\$ 54.00	\$ 54.00
Water Utility Tax	11,000/7,000g	\$ -	\$ 36.23	\$ 23.80
Yard Waste Fee	Varies	\$ 40.80	\$ 48.60	\$ 36.00
Property Tax ²	\$300,000 home	\$ 751.25	\$ 582.57	\$ 571.76
Additional Local Sales Tax	\$466	\$ 55.92	\$ 27.96	\$ 27.96
Total Annual Taxes/Fees		\$ 946.11	\$ 826.31	\$ 795.93

Indicator Description

This chart shows the total amount of money a typical household would pay for general governmental services if it were located in St. Charles, Batavia, or Geneva. The comparison makes certain assumptions about consumption levels and patterns and then applies the rates and fees to the hypothetical home in each of the three cities. This way, one can compare the costs associated with municipal service in each municipality in an accurate manner.

Trend Analysis

As the chart indicates, the City of St. Charles is slightly above Batavia and Geneva in terms of cost for city services. In the past, St. Charles was able to maintain a property tax rate lower than surrounding communities. However increased competition for sales tax revenue has caused the City to place more reliance on nonelastic revenue sources, such as property tax. Several factors lead to the need for the current levies including various capital projects and support for local mental health agencies.

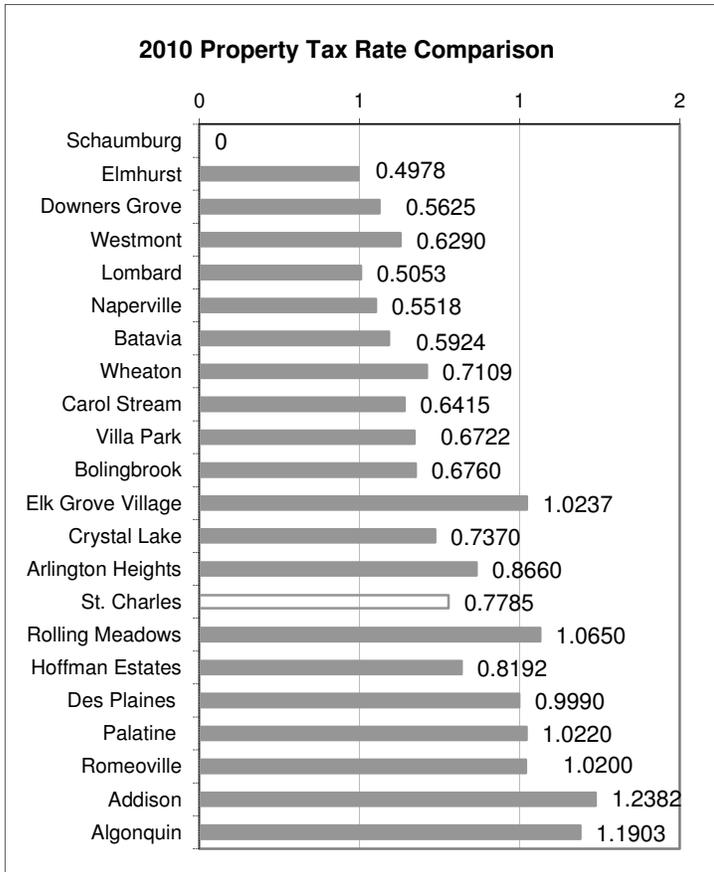
St. Charles does not levy a tax on natural gas or a water utility franchise fee, as both Geneva and Batavia do. As a non-home rule community, Geneva is subject to property tax caps and cannot assess a local sales tax without referendum approval.

¹ Based on 1000 kwh of electricity and 11,000 g. of water usage per summer month and 700 kwh and 7,000 g. per winter month.

² A portion of the St. Charles property tax rate (\$0.05) is dedicated to the construction of the Red Gate Road Bridge.

Source: City utility rate and tax rate survey; projections based on census data for consumer spending

Comparative Trends: Property Tax Rates



Among comparables, St. Charles maintains a steady property tax rate.

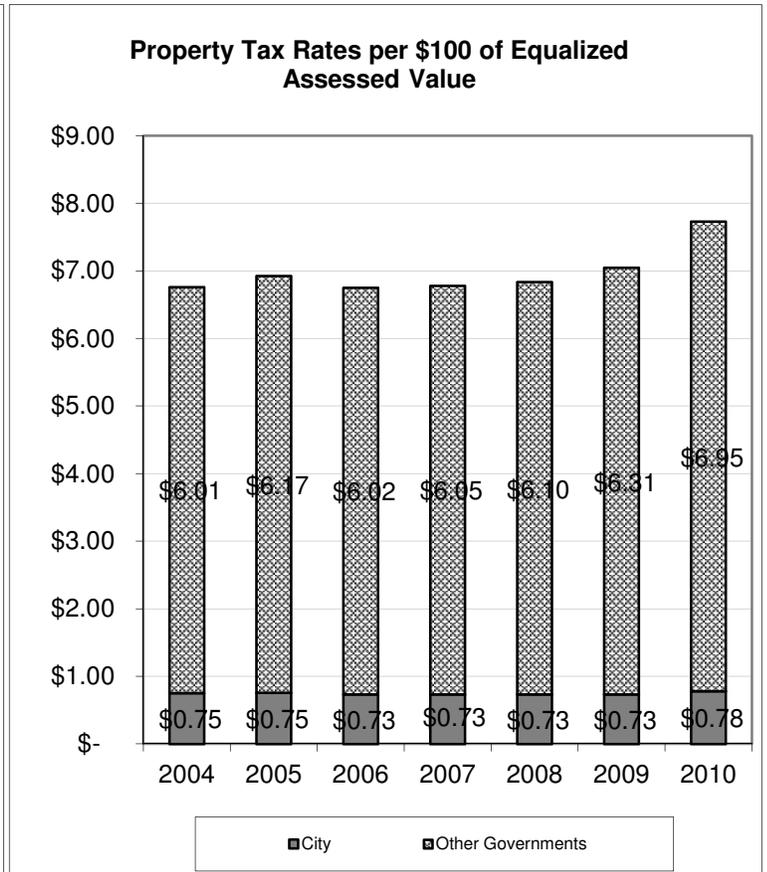
Indicator Description

The City maintains a policy of levying property taxes at a rate which keeps it comparable to neighboring communities. For comparison purposes, a community's fire protection district is included when a City does not provide its own fire service.

Trend Analysis

The City remains cognizant of the total local tax burden for residents and continues to diversify revenue sources to meet budgetary policy. In addition, the City continues to expand its commercial tax base in order to increase sales tax revenue, carefully monitor whether user fees are offsetting costs, aggressively collect all revenue owed, and invest all funds in line with City investment policies. For FY 2012/2013, City Council has directed Staff to maintain a consistent operating property tax levy of approximately \$12,000,000 for the third consecutive year. This will have the impact of increasing the tax rate to an estimated \$.8260 when factoring in the anticipated 6% decline in the City's taxable value (EAV).

Source: St. Charles CAFR and survey of area communities



The City collects only about 10% of the total property taxes levied.

Indicator Description

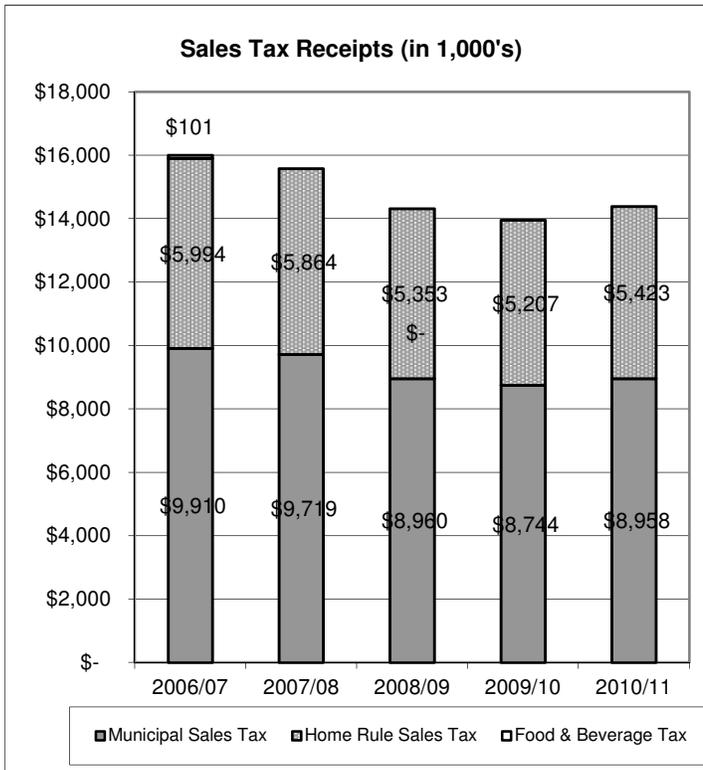
The above chart illustrates the City's portion of the property tax rate as compared to rates of overlapping governments (i.e.: school district, park district, library district, etc.). Decisions related to tax levies must take into consideration the total community tax rate including all overlapping governmental units.

Trend Analysis

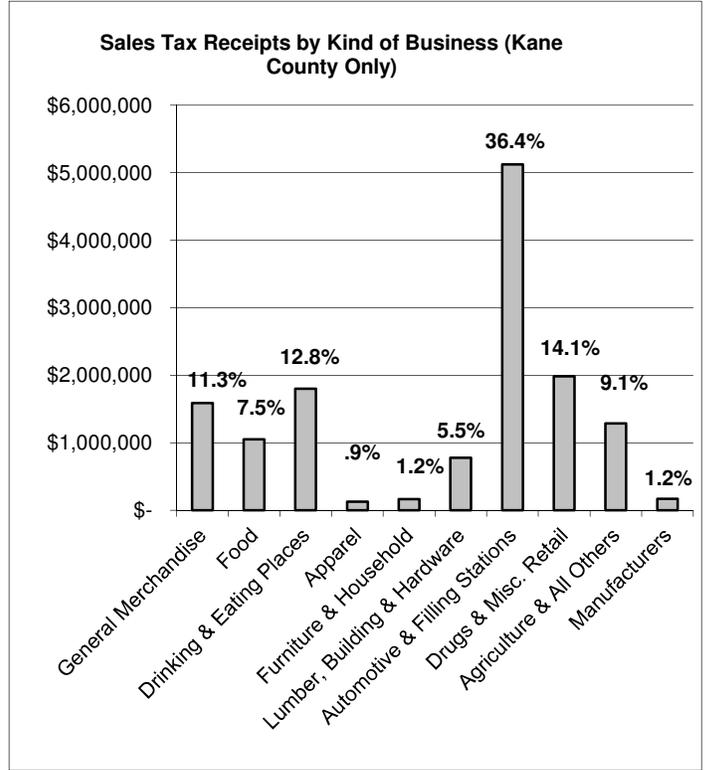
The City has been able to keep its rate relatively low during the period under consideration. In 2002 through 2005, the tax rate did increase in order to adjust to increased competition for sales tax dollars, as well as to fund major initiatives. In 2010, the rate increased due to the declining EAV of the City. The City receives 11% of a property's total tax bill.

Source: St. Charles CAFR

Revenue Trends: Sales Tax



The City repealed its Food & Beverage Tax effective July, 2006.



The City's sales tax base is diversified over many types of businesses.

Indicator Description

Sales tax is an elastic source of revenue, meaning it is highly dependent on local economic conditions. Fluctuations have occurred that have caused the City to diversify the sources of revenue it uses. An important aspect of sales tax is that a large portion of it is paid by non-residents.

Trend Analysis

The City approved a .25 percent home rule sales tax in 1996 and increased that tax by an additional .25 percent increase in 1997 and by .50 percent in 2004. The home rule sales tax is included in the above table and applies to all general merchandise excluding groceries, pharmaceutical drugs, and titled vehicles. A 1% food and beverage tax was implemented in August 2003 and was eliminated in July 2006. In FY 10-11, a 2% tax on alcoholic beverage sales was implemented. This tax generates approximately \$975,000 annually. Fiscal year 2008 saw the first ever decline in sales tax revenue in the City. This reduction was primarily the result of recessionary economic conditions. FY 10/11 did see a slight increase in sales tax revenue over the previous

Indicator Description

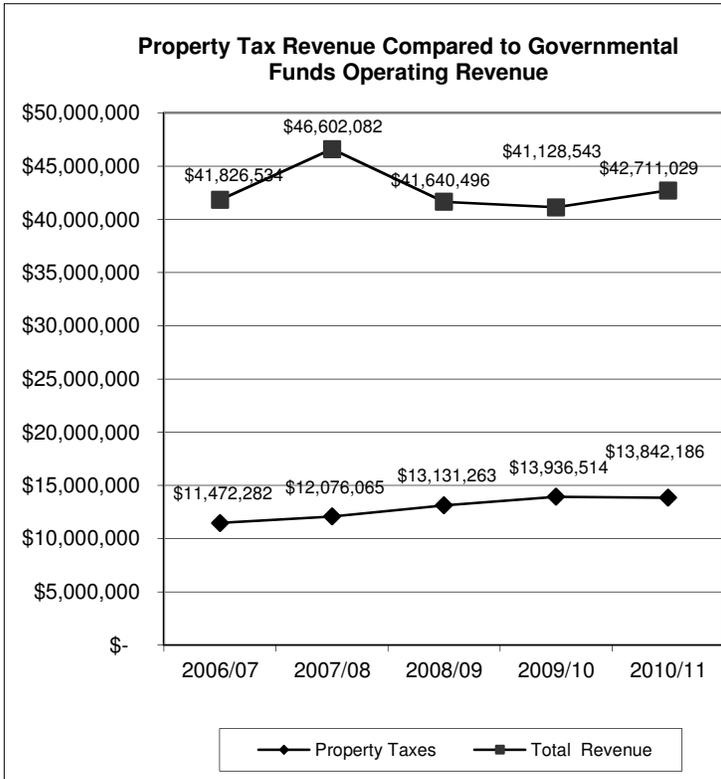
This table is presented to distinguish the sources of sales tax revenue received by the City (not including DuPage County). The information is given by calendar year, rather than fiscal year. Being aware of what percentage certain retail goods constitute of the whole can provide City officials with some sense of the diversity of the City's sales tax base and how well that diversity can withstand economic slow downs.

Trend Analysis

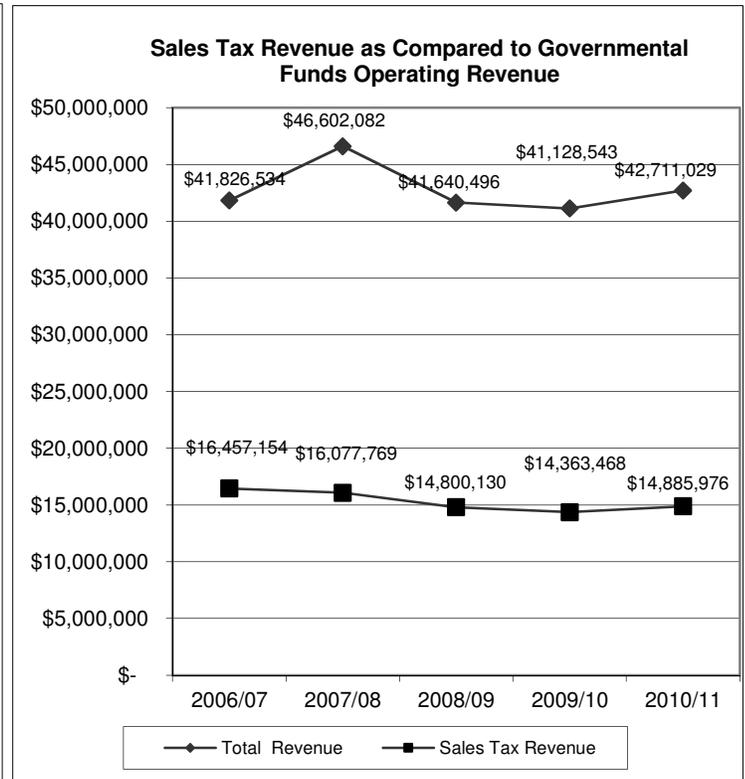
The largest percentage of sales tax revenue for the City comes from automotive and filling stations, which includes businesses such as new and used car dealers, auto and home supply stores, gas and service stations, as well as automotive repair. The second largest category of revenue is drugs and miscellaneous retail. The third largest is drinking and eating places which demonstrates the City's reputation as a dining destination.

Source: Illinois Department of Revenue

Revenue Trends: Operating Revenue



The property tax is a more stable, reliable source of revenue.



Almost 35% of operating revenue comes from sales tax receipts.

Indicator Description

This indicator compares property tax revenue to that of net operating revenues, which are revenues from the general fund, debt service funds, and special revenue funds. Capital projects fund revenue is not included. This graph highlights the degree of dependence on property taxes to fund services such as police, fire protection, and street repair.

Trend Analysis

Property Tax as a percentage of governmental funds' operating revenue is generally trending upward, with a slight decrease in 2007/2008. The percentage has grown from 19.5% in 2000 to 32.4% in 2010. The upward trend in the graph reflects the City's increased reliance on property taxes due to increased competition for sales tax revenue, major capital initiatives, and general economic conditions.

Source: St. Charles CAFR

Indicator Description

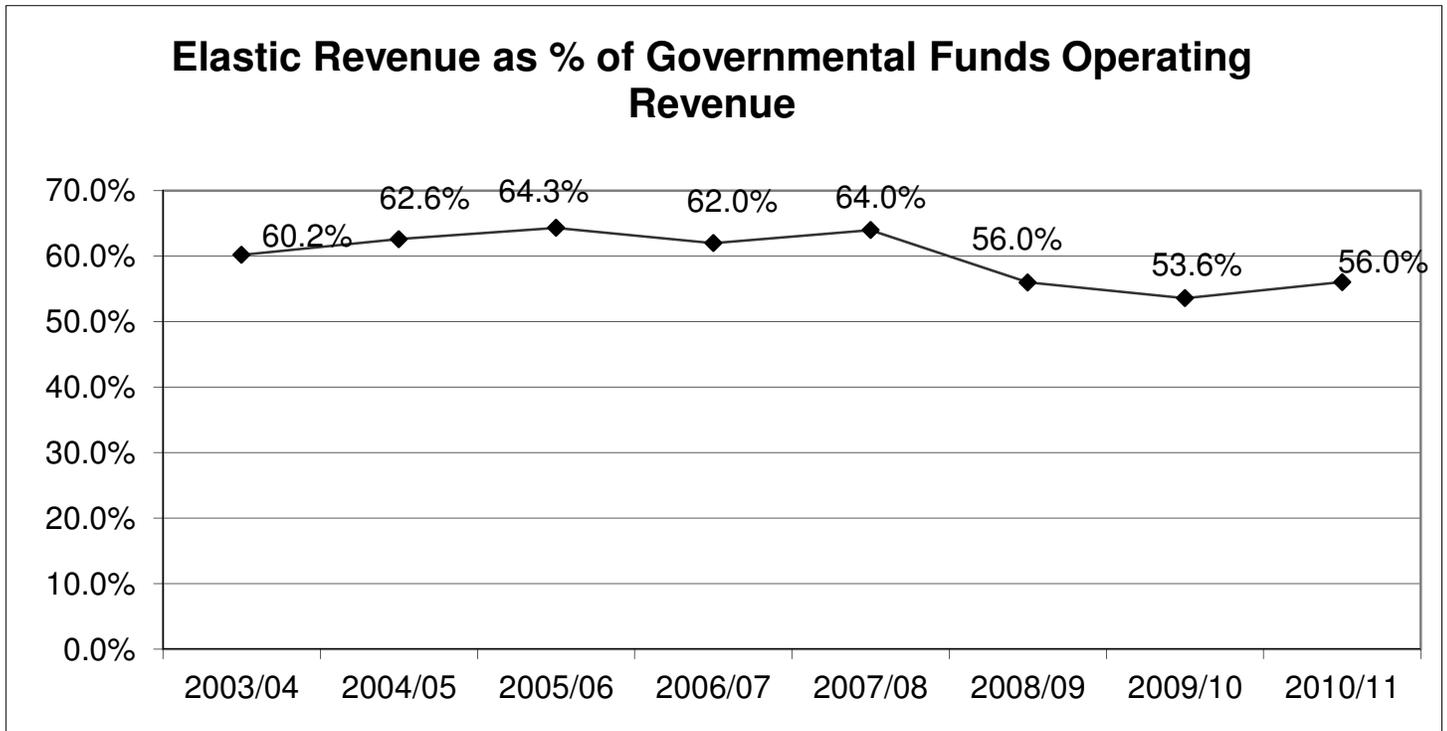
This indicator compares sales tax revenue to that of net operating revenues, which are revenues that are available for general governmental functions, such as police and fire protection and street repair.

Trend Analysis

While the trend over the past five years has been a gradual decrease in reliance on sales taxes, it remains the key revenue source for most of the City's core operations. In 2004, the percentage of sales taxes (42.5%) was the highest since 1997/98. However, in 2010/2011, the percentage stands at 34.9%. Sales taxes are often paid by non-residents and increase during healthy economic periods making them a desirable source of revenue. On the other hand, having such a significant portion of operating revenue reliant on consumer purchases, means greater susceptibility to economic fluctuations. Other sources such as property taxes traditionally remain somewhat stable.

Source: St. Charles CAFR

Revenue Trends: Elastic Revenues



In past years, the percentage was over 70% and after a period of decline, elastic revenue dependency is again increasing.

Indicator Description

Elastic revenues are considered to be responsive to changes in the economy. Elastic governmental fund revenues for the City include: sales and use taxes, telecommunications tax, franchise fees, hotel tax, motor fuel tax, licenses and permits, interest on investments, and income taxes. The property tax is a good example of an inelastic revenue. During strong economic conditions, elastic revenues will increase-- paralleling business growth.

A balance between elastic and inelastic revenues mitigates the effects of economic growth or decline. During inflation, it is desirable to have a high percentage of elastic revenues, since inflation pushes up revenue yield-- thereby keeping pace with the higher prices the City must pay. If the percentage of elastic revenues declines during inflation, the government becomes more vulnerable, since revenue yields do not match the increasing price of services to the City.

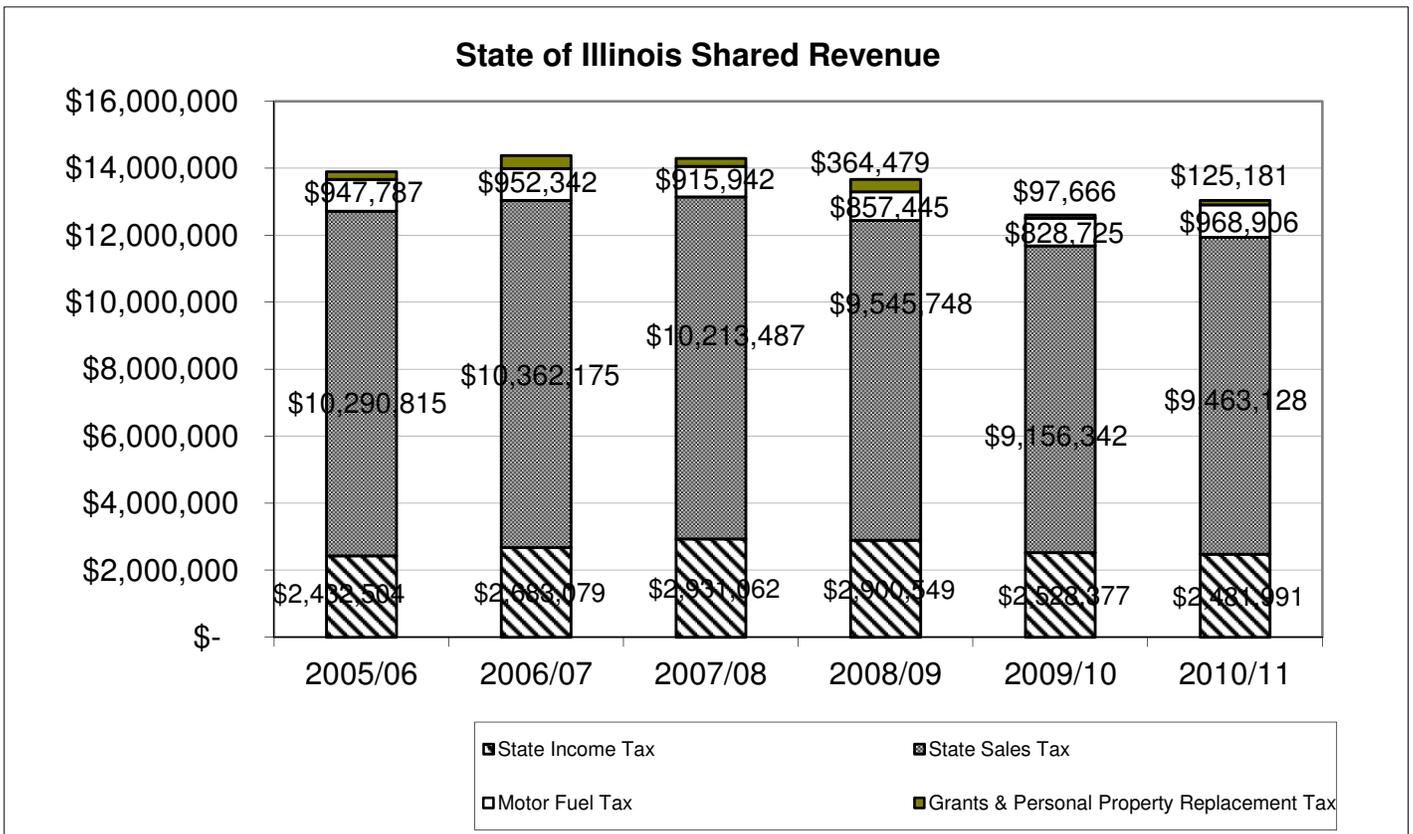
Trend Analysis

As the graph indicates, governmental funds are still largely funded by elastic tax revenues. Although sales and use taxes are considered elastic sources, these revenue streams have historically performed well. Traditionally, the City has been able to depend on its strong diversity of businesses which creates a solid sales tax base for its operating revenues.

In 1995/96, elastic revenues were over 74% of governmental funds operating revenues. Over the last 16 years, this percentage had dropped significantly. During 2010/2011, the City introduced a 2% tax on alcoholic beverages. This new revenue source has helped this recent trend. Elastic Revenue sources currently provide 56.0% of Governmental Funds' Operating Revenues.

Source: St. Charles CAFR

Revenue Trends: Intergovernmental Revenues



The City's intergovernmental revenues are fairly stable, but increases typically result from a healthy and growing economy. These revenue sources declined in 2008/09 due to the state of the economy.

Indicator Description

The above chart depicts numerous revenue sources that the City does not collect locally. Rather, they are administered by the State of Illinois and shared with local governments.

Trend Analysis

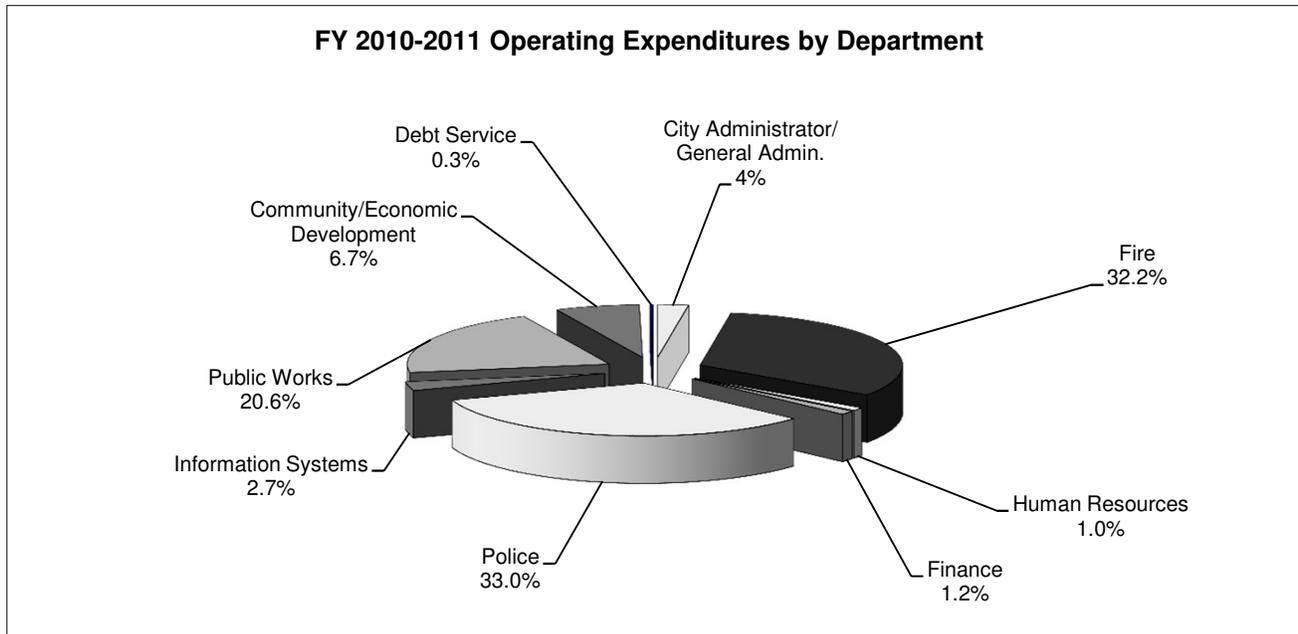
As is reflected, with the exception of grants, the intergovernmental revenues have been relatively stable, up until fiscal year 2008/09. The current recessionary trends have resulted in lower revenue levels for both the City of St Charles and the State of Illinois. The State Income Tax and State portion of the Sales Tax are the most significant intergovernmental revenues. The income tax is based on a funding formula set by the State of Illinois, and the amount of revenue is impacted by a city's population as well as the economic health and income level in the state.

Motor Fuel Tax receipts are based on a per capita formula by the state. Revenue from this tax is used to fund maintenance and construction of City streets and rights-of-way.

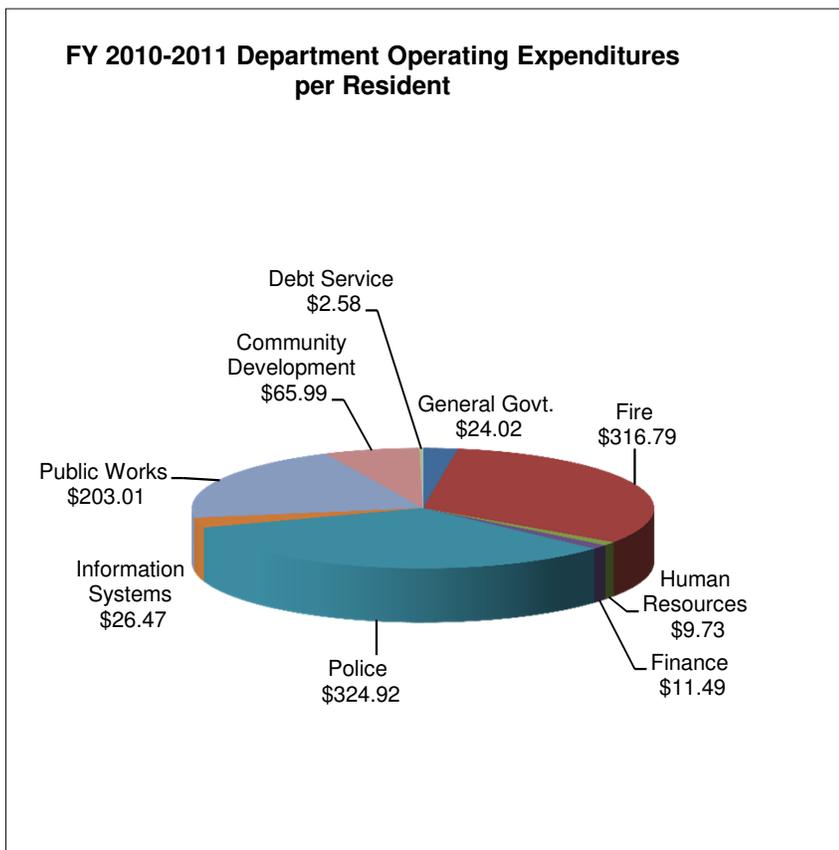
Monies received from grants are only displayed for the past four fiscal years. Grant dollars can vary significantly from year to year, depending on the amount of funding available and the purposes it can be used for. Beginning in 2007/08, the City embarked on a major initiative to enhance grant funding in order to reduce reliance on local revenues. Nearly half of the cost of the Red Gate Road Bridge is being paid for with Federal and State grant revenues.

Source: St. Charles CAFR

Expenditure Trends: Operating Expenditures



Approximately \$ 0.86 of each dollar spent goes to police, fire, and public works services.



Most operating expenditures are allocated to the areas of police, fire, and public works.

Indicator Description

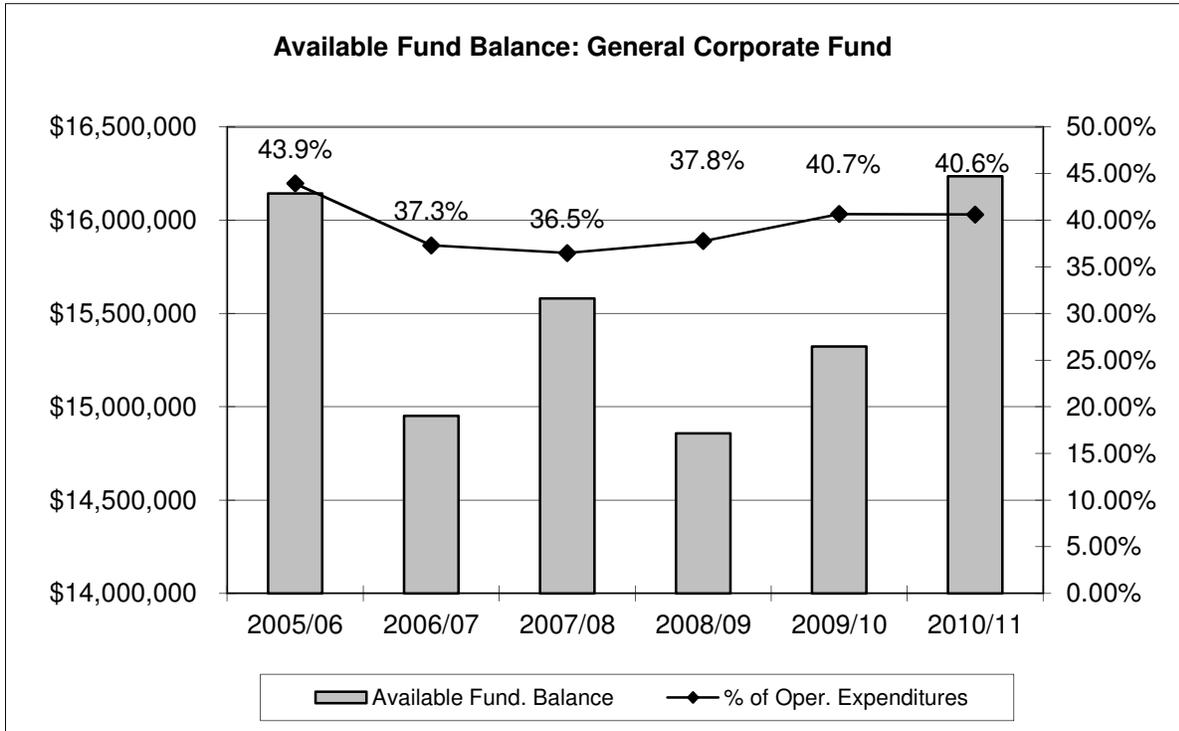
The first pie chart represents operating expenditures by each City department for the General Governmental funds (less Capital Projects). Additionally, the second chart displays operating expenditures per resident by City Department in St. Charles.

Trend Analysis

In fiscal year 2010/11, approximately \$935 was spent per resident in the provision of services for General Government, Public Health and Safety, Public Works, and Community Development. This reflects an increase of 4.5% from the 2009/2010 level. The majority of the municipality's expenditures are for Public Works and Public Safety (Police and Fire). Expenditures per resident have been relatively stable. The City must often expand services to meet increased demand and also keep pace with the often rising cost of goods and services.

Source: St. Charles CAFR

Expenditure Trends: Available Fund Balance



Available Fund Balance is a measure of financial stability (current assets less current liabilities less reserved fund balances).

Indicator Description

The size of the City's General Fund available balance can affect its ability to withstand financial emergencies. It can also affect its ability to accumulate funds for capital purchases without having to issue debt. The City's policy is to maintain a minimum available General Fund balance of 25% of operating expenditures, which was increased from 15% in 2004.

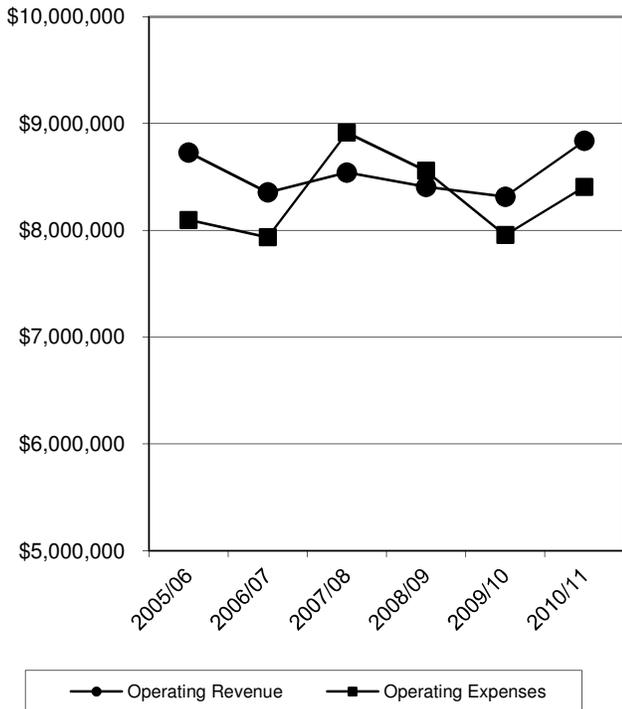
Trend Analysis

The City has consistently maintained well above the required 25% available General Fund balance of operating expenditures since the minimum increased in 2004. The available fund balance has continued to grow over the years, with the exception of decreases in 2006/07 and 2008/09. St. Charles still remains in a relatively strong economic position to handle unexpected costs or emergencies, such as the recessionary economic conditions the City and the nation as a whole are currently facing.

Source: St. Charles CAFR

Enterprise Fund Trends: Water and Sewer

Water and Sewer Fund Operating Revenues and Expenses



Revenues are stable, but expenses go up with mandates, operations, and major maintenance projects.

Indicator Description

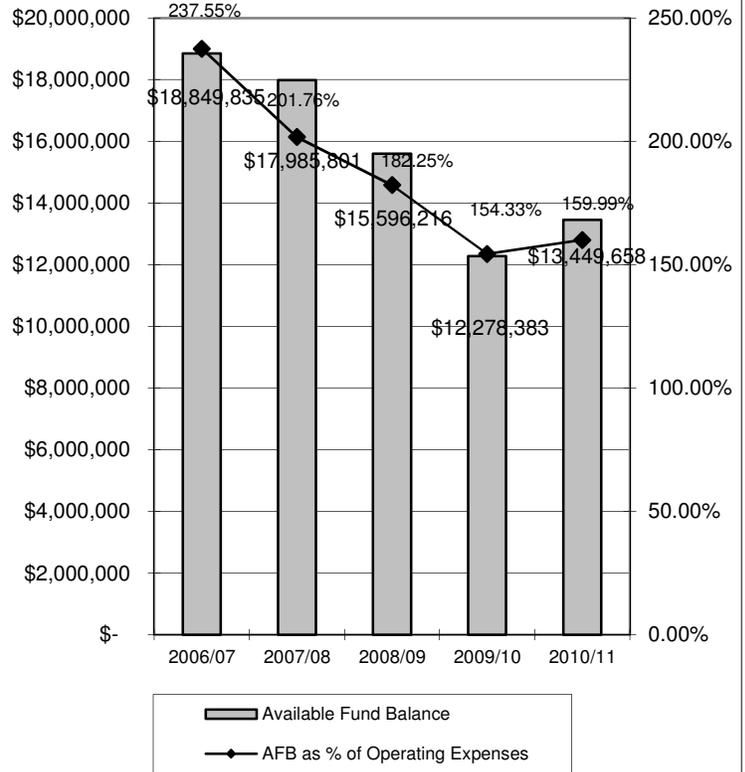
This chart displays the amount of total revenue (primarily generated by user fees) and expenses (excluding depreciation) for both the water and sewer funds. Rates for use of these services are set by calculating current operations as well as needs for future system expansions. In order for an enterprise fund to achieve self-sufficiency, revenues must match current levels of expenses.

Trend Analysis

Water and sewer usage have remained fairly stable over the period represented, with the exception of a decrease in 2008/09 due to a cool and wet summer. The trend continues to show rising expenses for both funds, as these services are affected by environmental mandates as well as rising operational costs. The significant increase in operating expenses from 2006/07 to 2007/08 is a result of major sewer lining maintenance projects.

Source: St. Charles CAFR

Available Fund Balance: Water and Sewer Funds



Fund balances remain well-above the City's policy level of 25%.

Indicator Description

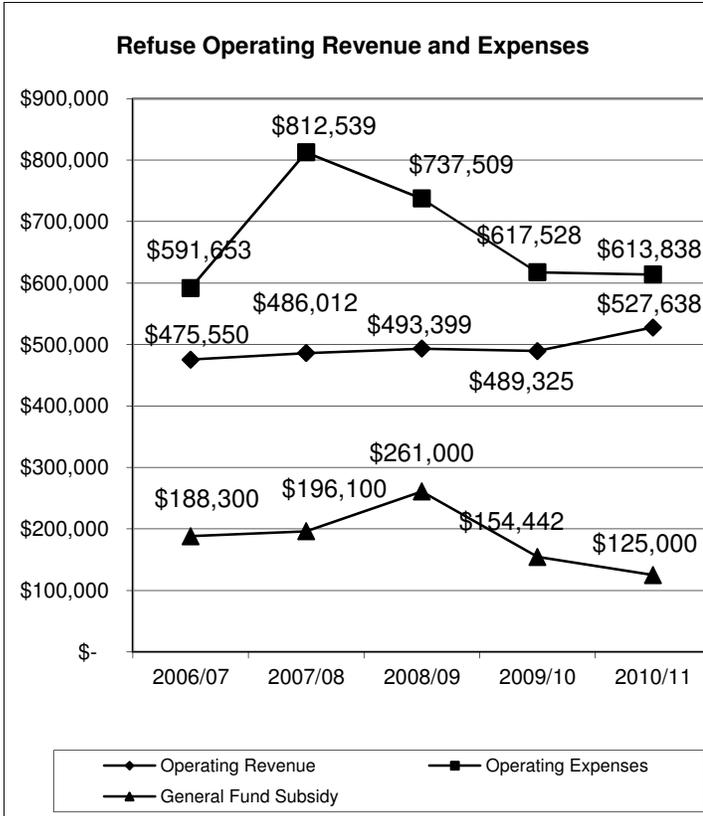
Since water and sewer funds are a business-type activity of the City, the intent is to recover the cost of providing these services to the users of the system. In contrast to general governmental funds, enterprise funds such as these are financed primarily through user-charges. The policy goal is to maintain an available fund balance of at least 25% of operating expenses.

Trend Analysis

It is important that the City has been able to maintain a current ratio of available current assets well above the suggested policy level when compared to current liabilities. Such a practice allows the City to cope with mandates from the federal and state governments. The maintenance of the water and sewer infrastructure is a priority, so that these costs are not a burden to future system users.

Source: St. Charles CAFR

Enterprise Fund Trends: Refuse and Electric



Rates are set below operational needs, so a subsidy is required.

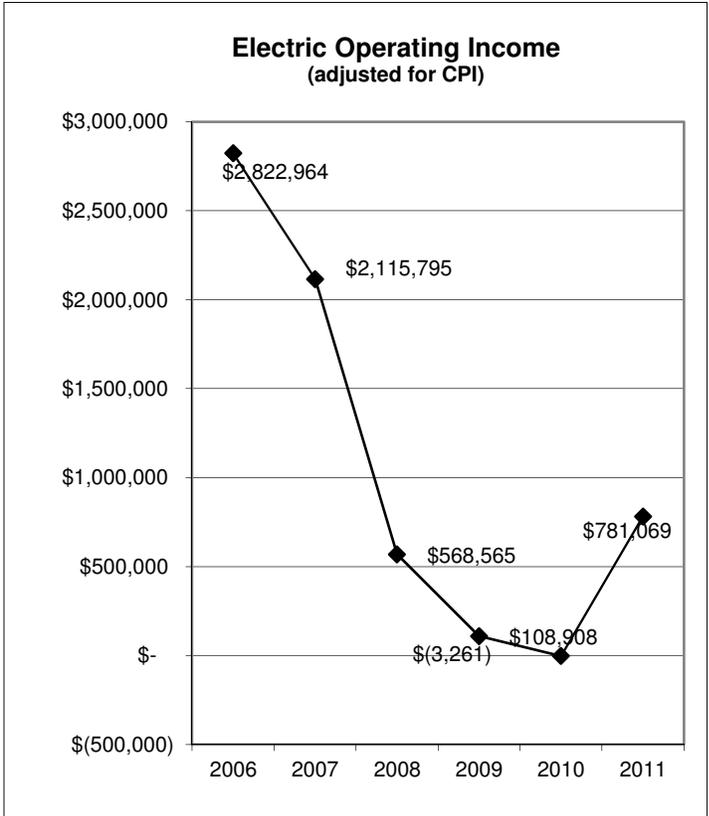
Indicator Description

The Refuse Fund is another enterprise, or business-type activity of the City. As such, it should be self-sufficiently supported by revenues from rates charged to users, but a policy decision allows for a subsidy from the General Fund to support refuse collection.

Trend Analysis

Historically, refuse fees were only charged to apartment residents, but in fiscal year 1998/99, the City began to charge homeowners for spring cleanup and brush pickup. Currently, residents are charged \$3.40 per month for these services. Though revenues have grown, the growth is not enough to support services, so user-fees are supported by transfers from the General Fund. For fiscal year 2009/2010, the General Fund transfer was reduced by \$125,000 to reflect the elimination of the Spring Clean-up Program. The Spring Clean-up has been reinstated in the FY 2012-2013 budget.

Source: St. Charles CAFR



The electric enterprise's operating income decreased over the last three fiscal years due to increases in wholesale power costs.

Indicator Description

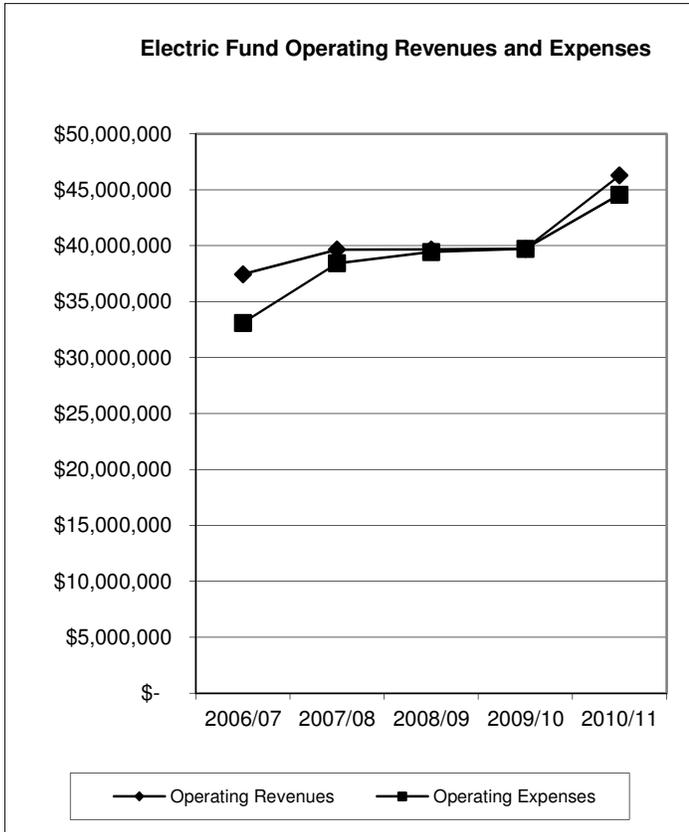
Since enterprise activities like electric are businesses run by government, they are unique. The typical business "bottom line" of profit or loss may not portray the most accurate picture of such a fund's long-run financial condition. This indicator looks at the total cost of providing the service (operating income)--before depreciation and debt payments-- adjusted for the effects of inflation.

Trend Analysis

The Electric Fund's operating income has been on a downward trend beginning in 2007. This trend can be attributed to higher wholesale power costs due to the City's change in electric supplier from ComEd to IMEA. The City completed a utility rate study during FY 11/12 to assure the financial viability of the electric utility. Several changes to the rate structure have been implemented to begin the long-term process of reversing the trend.

Source: St. Charles CAFR and Bureau of Labor Statistics

Enterprise Fund Trends: Electric



The gap between operating revenues and expenses has narrowed over the last few years.

Indicator Description

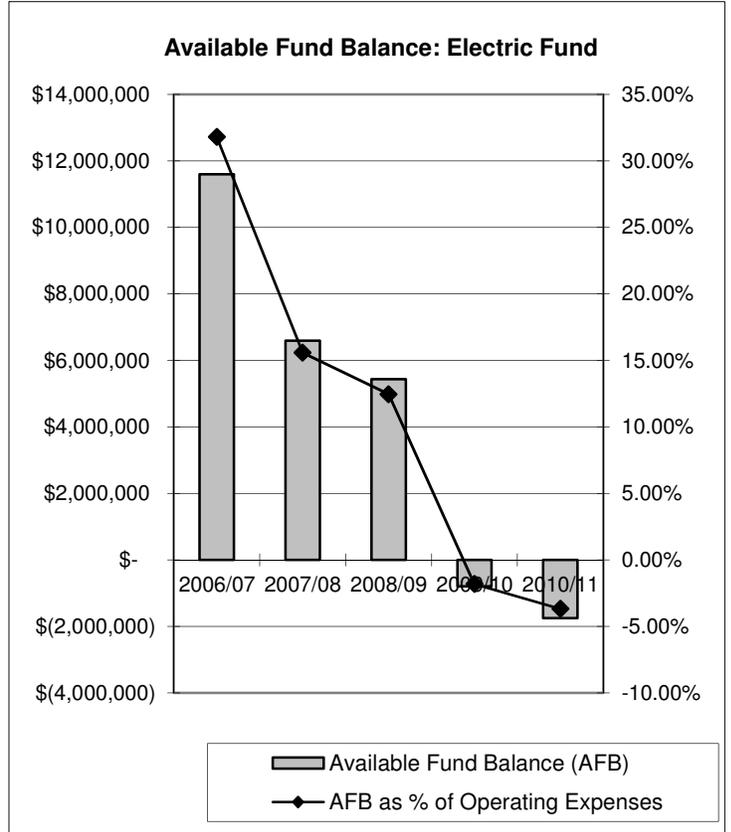
Above is an illustration of the operating revenues and expenses (less depreciation and debt payments) for the electric enterprise fund—covering the last five years. Unlike the Refuse Fund, the Electric Fund is intended to be self-sufficient as part of the City’s financial policy.

Trend Analysis

Prior to 2007/08, revenues (from user fees) collected have exceeded expenses to maintain service and continue expansion. During that period, revenues increased at a higher rate than expenses. Beginning in 2007/08 and continuing into 2010/2011, expenses increased at a higher rate due to the costs of wholesale power purchases.

The City continues to monitor this fund to ensure it is adequately funded by user-charges to recover the entire cost of providing these services.

Source: St. Charles CAFR



Increases in wholesale power costs and decreases in consumption levels have eroded reserve levels.

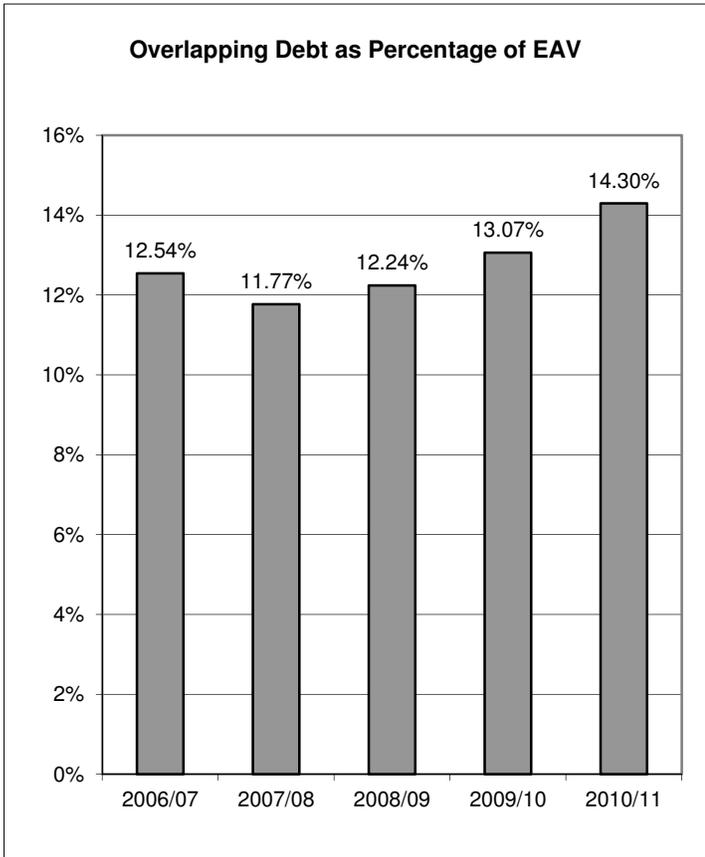
Indicator Description

Cities often engage in business-type activities, where the intent is to recover the cost of providing goods or services to customers. The policy goal is to maintain an available fund balance of at least 25% of operating expenses. The City's four-year budget incorporates a plan to bring these reserve levels up to the minimum amount.

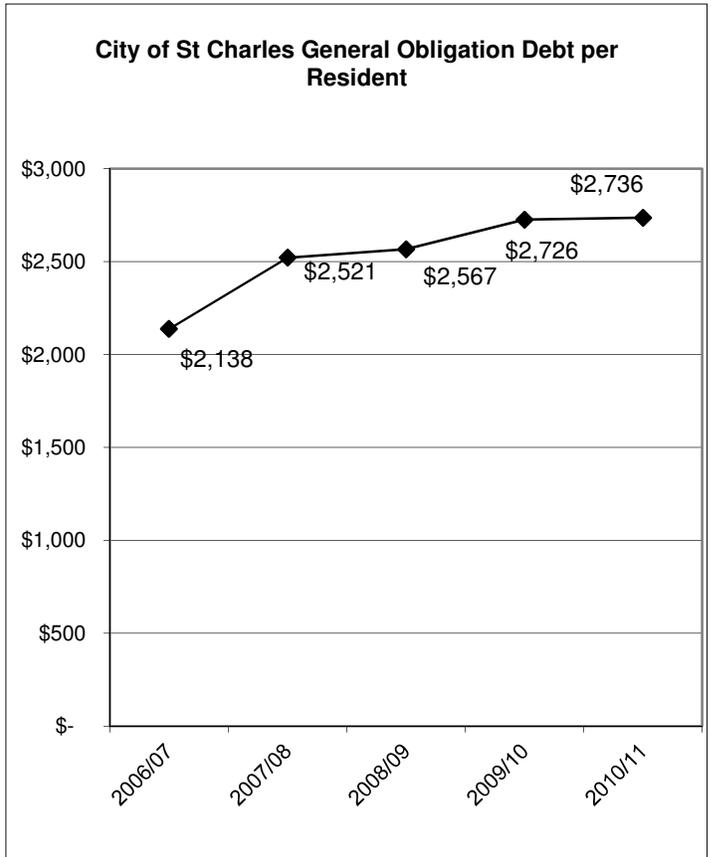
Trend Analysis

Two graphs in one are presented above (available fund balance and operating expenses as a percentage of available fund balance). For several years the available fund balance exceeded a prudent amount to manage emergency needs. In response, we decreased the available fund balance by limiting rate increases below the increases in wholesale power costs. However, decreases in consumption levels have contributed to an even sharper decline in the available fund balance. The City completed a rate study in 2011/12 and instituted several changes to the electric rate structure to assure that over the long term, the City's rate structure provides adequate recovery of the utility's costs in keeping with the "business focus" of an enterprise utility fund.

Debt Service Trends: Debt Measures



Multiple governmental units- including the City-- issued new debt during fiscal year 2010/11.



Undertaking large capital projects has increased debt per resident, however, that debt is well within acceptable parameters.

Indicator Description

Overlapping debt consists of the City's direct bonded debt and the debt of other governmental units that are within or overlap the City's boundaries (school districts, the park district, and the library district).

Trend Analysis

Growth in the area has resulted in debt issuance to meet additional needs. Both the City and the school district have issued debt over the last five years. When combined with lower property values due to economic conditions, this means that the overlapping debt will remain at a higher level until this debt is paid down and property values rebound.

Source: St. Charles CAFR

Indicator Description

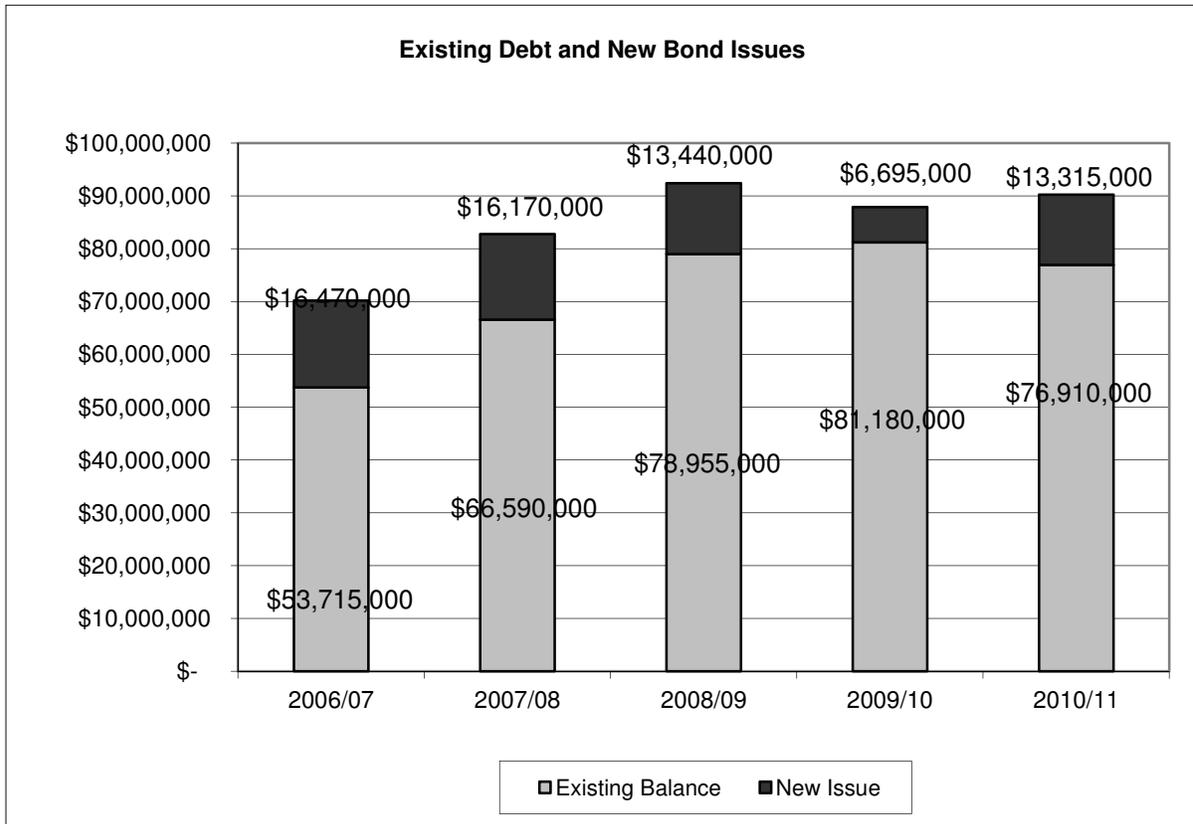
This illustration of long-term debt does not include the aforementioned overlapping jurisdictions.

Trend Analysis

Debt per capita has been increasing as the City has incurred increasing amounts of debt for capital projects, economic development, and land acquisition. Large scale projects and renovations have resulted in the increased debt per resident. As the population growth slows, even a slight increase in issued debt will account for a larger amount per resident. In contrast to many other units of local government, the City does not levy property taxes to finance its debt but pays for principal and interest from the general revenue stream.

Source: St. Charles CAFR

Debt Service Trends: Long Term Debt



Long term debt of the City increased over the last few years due to a number of capital and Economic Development projects.

Indicator Description

The above chart represents existing balances of General Obligation bond issuances, and subsequently, any additional debt issued, per year for the last five years. The amount of bond issues varies drastically by number and types of projects the funds will be applied to, but the balance of existing debt is increasing, as new debt may be issued before old debt is retired.

Trend Analysis

Following are a list of the projects corresponding to new bond issues in the five-year period represented:

- 2006/07: First Street TIF District
- 2007/08: First Street TIF District and Water capital projects
- 2008/09: Riverwall Project, Fire Station #1 Project, Electric Projects and Ladder Truck Purchase
- 2009/10: Refunding Bond Issue
- 2010.11: ERP System, Road Reconstruction projects, Wastewater Improvements, Refunding Bonds

Source: St. Charles CAFR

Community Profile

<u>History</u>	IV - 3
<u>Demographics</u>	IV - 3
<u>Public Health & Safety</u>	IV - 6
<u>Public Works</u>	IV - 8
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<u>Education</u>	IV - 10
<u>Transportation</u>	IV - 11
<u>Property Construction and Sales</u>	IV - 11
<u>Property Taxes</u>	IV - 12

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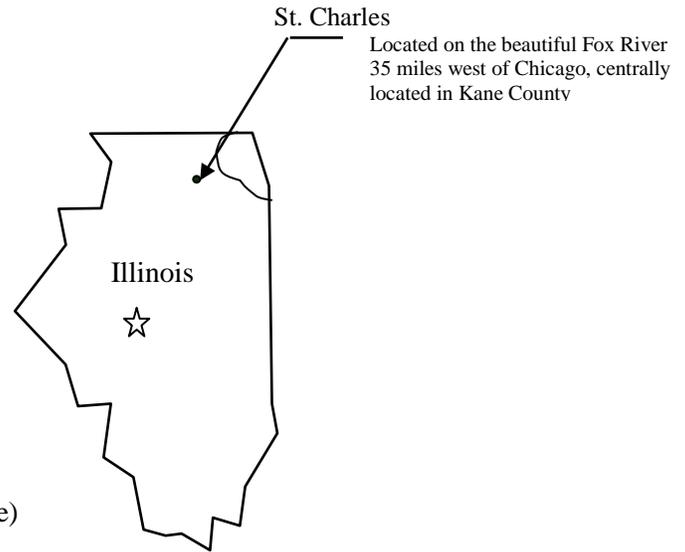
COMMUNITY PROFILE

St. Charles - The Early Years

The first settlers of St. Charles arrived in 1833 and built the first log cabin in 1834. They were attracted to the area because of the Fox River, which was a source of waterpower. The first industries in town were lumber mills, gristmills, and carding mills, all powered by water wheels near the dam.

Illinois Facts:

Capital:	Springfield
State Bird:	Cardinal
State Tree:	White Oak
State Flower:	Violet
State Song:	Illinois
State Animal:	White-tailed Deer
Nicknames:	The Prairie State (Official) The Inland Empire (Unofficial)
State Motto:	“State sovereignty national union”
Population:	12,869,257 (2011 Estimate)
Rank:	6 th
Date of Statehood:	12/3/1818
Sequence:	21 st



The first mayor of St. Charles, James K. Lewis, was elected in 1875. At that time there were 3 wards with 6 aldermen. Our current Mayor, Donald P. DeWitte, was elected and sworn in to office May 1, 2005. He was reelected to his second term in 2009. He previously served 12 years as an alderman. An ordinance passed in May of 1996 changed the City Council structure from 7 wards with 14 aldermen to 5 wards with 10 aldermen. The elected officials and appointed officials are listed in the front of the budget document.

Demographics

Population:

The City’s population has a significant financial consequence. For instance, motor fuel taxes and Illinois income taxes are distributed on a per capita basis. The count used for these purposes must be an official census certified by the Bureau of Census. Since 1985, St. Charles has contracted seven special censuses in order to gain a larger share of the revenue distributed by the state based on population. The State’s population grew less than 1% from 1980 to 1990, with a 10% growth rate from 1990 to 2000 (11,424,409 in 1980 and 11,430,602 in 1990 and 12,600,620 in 2000). St. Charles population from 1980 to 1990 increased 19% (17,492 in 1980 and 22,620 in 1990). The year 2000 census results put the State at 12,600,620 and the City at 28,054. In 2003 the City conducted a special census, which increased our population to 31,834. The 2010 census resulted in St. Charles population of 32,974.



The City's population is projected to be 35,099 in the year 2015. Following is a history of population counts, actual and estimated.

		Per Census	Interim Estimate
2000/01		28,054	-
2001/02		-	29,595
2002/03	Special Census	31,834	-
2003/04		31,834	-
2006/07		-	32,609
2007/08		-	31,804
2008/09			32,276
2009/10		32,974	
2010/11		32,974	

Data Source: *City's website.*

Age Distribution:

An important demographic characteristic relates to the age distribution of the City's population. An age profile is used by the city and other agencies in targeting services. St. Charles, similar to the national trend, has shown an upward trend in its median age from a 1970 level of 27.5 years to 37 years in 2010, the last year of available data. We expect this trend to continue through the next decade.

Racial Composition:

White	29,624
African American	701
American Indian, Eskimo, or Aleut	62
Asian or Pacific Islander	1,109
Other Race Alone (of any race)	<u>1,478</u>
 2010 Per Census Population	 Total 32,974

Unemployment Rates:

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
St. Charles	6.4%	6.8%	7.2%	5.3%	3.8%	3.7%	4.9%	7.7%	8.7%	9.0%
Illinois	5.7%	6.3%	5.8%	5.2%	5.2%	5.3%	7.2%	11.3%	9.3%	10.0%
United States	6.3%	6.5%	5.4%	4.8%	5.0%	4.9%	8.1%	10.4%	9.6%	8.3%

Data Source: *www.bls.gov/*

Top Employers in St. Charles

No. of Employees	Employer	Product or Service
1,700	St. Charles School District 303	Education K-12
500	Pheasant Run Resort	Hotel and Conference center (golf course)
450	System Sensor	Mfg. Commercial Detectors & fire Equipment
425	R. R. Donnelly & Sons Co	Business Form Printing
400	Omron Electronics	Automotive relays and controls
350	Armour – Eckrich Meats LLC	Sausage & Salami Processing
287	Jewel-Osco Stores	Grocery Store
286	Dukane Corporation	Manufacture Sound & Communication Equipment
250	Coca-Cola Bottling Co.,	Soft Drink Bottling & Distribution
250	Power Packaging	Juice Bottling and Contract Packaging
247	City of St. Charles	Municipal government
203	Illinois Youth Center	State of Illinois youth correctional facility

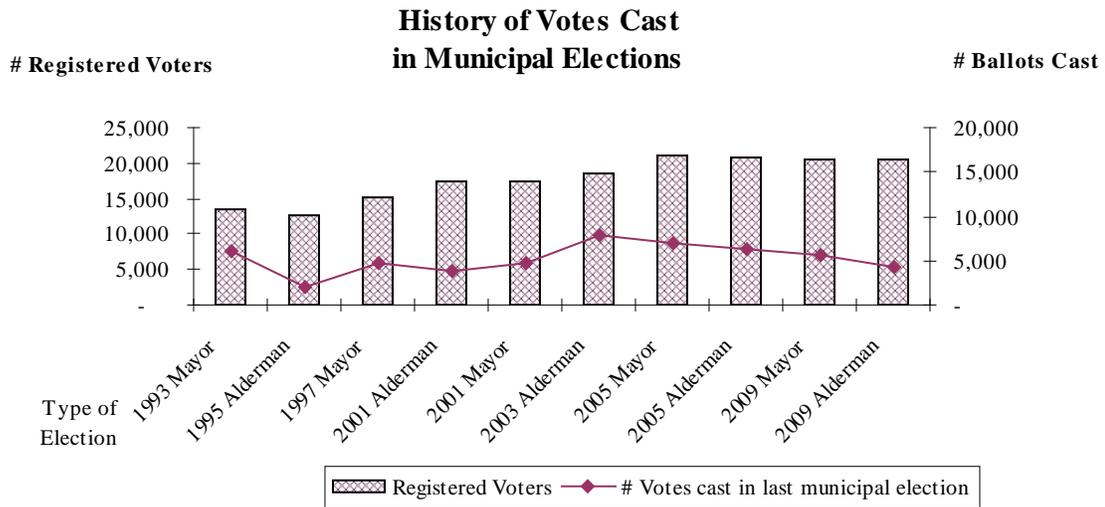
There are a vast number of employers with 200 or less employees in manufacturing, health care and retail. City residents have a wide variety of occupations. The following table categorizes occupations for the employed residents 16 years of age and older for the City, Kane Counties, DuPage Counties and the State of Illinois.



Occupational Categories

<u>Occupational Category</u>	<u>City of St. Charles</u>	<u>Kane County</u>	<u>DuPage County</u>	<u>State of Illinois</u>
Managerial professional & related occupations	42.8%	32.3%	43.7%	34.2%
Service occupations	9.8	12.4	9.4	13.9
Sales and office occupations	31.8	27.8	30.2	27.6
Farming, fishing and forestry occupations	0.1	0.3	0.1	0.3
Construction, extraction, and maintenance	6.6	8.9	6.5	8.2
Production, transportation and material moving	<u>8.9</u>	<u>18.3</u>	<u>10.1</u>	<u>15.8</u>
TOTALS	100.0%	100.0%	100.0%	100.0%

Elections



The chart above shows a higher turnout when there is a mayoral election. The number of votes cast to registered voters is very low.

Data Source: Kane County Clerk.

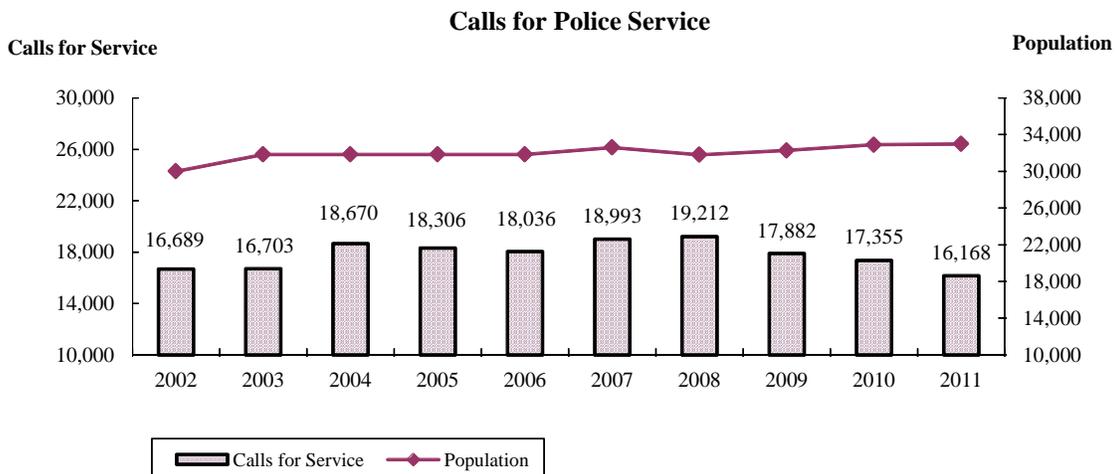
Public Health & Safety

Police Protection:

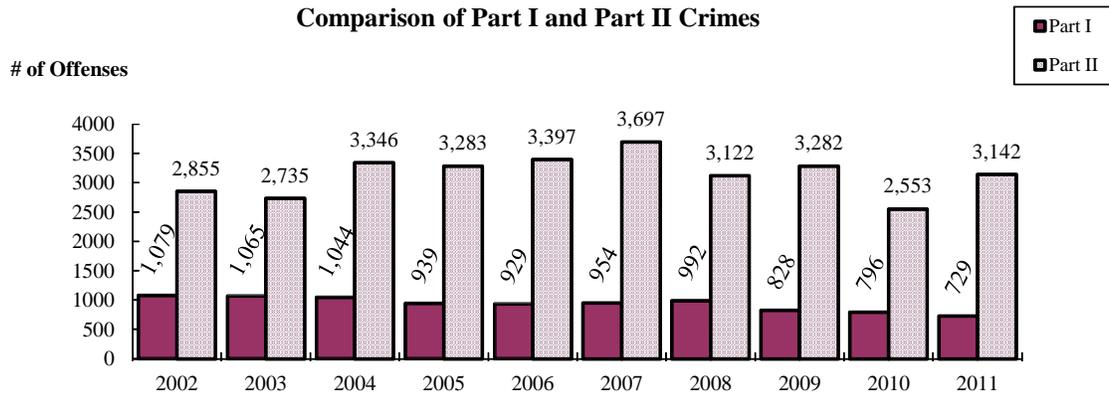


Number of sworn officers -

Chief	1
Deputy Chiefs	2
Section Commanders	2
Sergeants	6
Detectives	8
Patrol Officers	32
<u>K-9</u>	<u>1</u>
	52



Calls for police service have historically increased as population increases. However, St. Charles experienced a decrease in calls in 2011.



Part I and Part II crime categories are a national standard used to identify types of crime. Part I are generally more serious crimes involving a weapon such as armed robbery, whereas Part II crimes would be theft or battery committed with one's body. The FBI originally set these standards. The relationship between Part I and Part II crimes has remained steady over the last ten years. The majority of Part I crimes above relate to burglary and the majority of Part II crimes are for battery, theft and criminal damage to property.

Data Source: Annual Report-Police Dept.

Fire Protection:

Number of Fire Stations 3

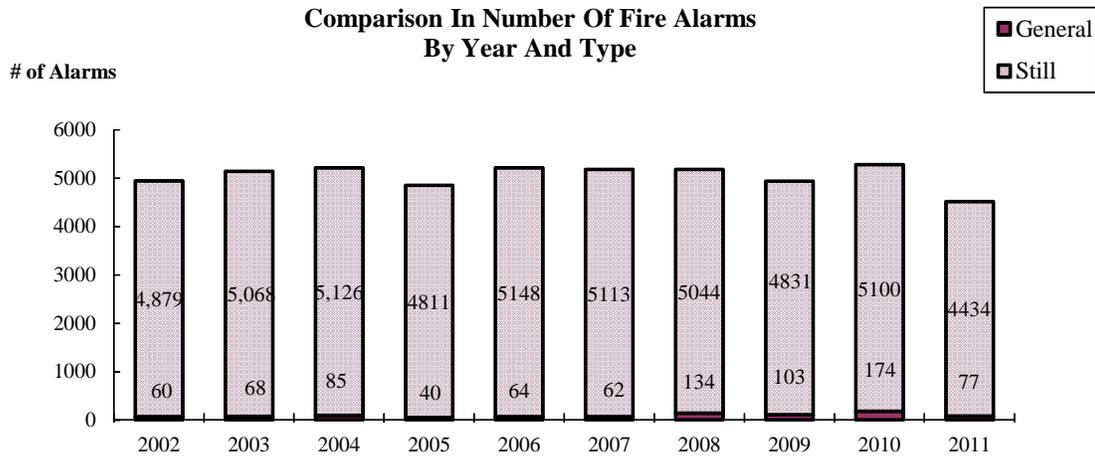
of Full-Time Firefighters



Chief	1
Asst. Chiefs	1
Battalion Chiefs	3
Captains	3
Lieutenants	10
<u>Firefighters</u>	<u>26</u>
	44

of EMA Personnel 18

St. Charles residents are serviced by an enhanced 911 system, which means the caller's name and address are brought up automatically on the dispatcher's screen. The St. Charles 911 system also services the deaf community with a TDD (telecommunications device for the deaf).



General alarms indicate a structure fire. The majority of alarms are still alarms. These are calls for odor investigation, smoke etc. and emergency medical calls.

In the United States, fire kills about 5,000 people a year and causes injury to another 30,000. St. Charles building codes now require interconnected AC wired smoke detectors in each bedroom, one in the vicinity of each bedroom, and one on each floor, including the basement.

Data Source: Annual report – Fire Dept

Public Works

Street miles maintained (all paved)	
Residential	130.9
Industrial	11.9
County	9.5
State	<u>26.7</u>
Total	179.0
# of Snow Routes	19

Lester and Dellora Norris designed and built the Arcade Theater in 1926 at a cost of \$500,000. The theater housed vaudeville acts and movies. Stars who performed included George Burns and Gracie Allen, Edgar Bergen and Charlie McCarthy, Olivia DeHavilland, the John Phillip Sousa Band, Vincent Price, Lee Remick and Maria Von Trapp. The theater was recently restored to its historic charm.



Water and Wastewater Utilities

Water	12,990,000
Average daily pumpage	3,857,170
Gallon Capacity per day	
High-pressure	9,390,000
Low pressure	3,600,000
# of Wells	7
Maximum Day Consumption	9,741,000
Wastewater (East and West Plants)	
Gallons of wastewater – daily flow	6,216,128

Water Pumped vs. Billed FY 10/11

In Thousands of Gallons

	Gallons Pumped	Gallons Billed	Difference	% of Difference
May	128,709	112,214	16,495	12.82%
June	121,773	117,370	4,403	3.62%
July	146,105	133,899	12,206	8.35%
August	142,360	129,349	13,011	9.14%
September	126,225	121,045	5,180	4.10%
October	121,876	114,326	7,550	6.19%
November	99,520	96,609	2,911	2.93%
December	103,733	96,352	7,381	7.12%
January	108,454	97,474	10,980	10.12%
February	98,109	87,926	10,183	10.38%
March	106,533	96,779	9,754	9.16%
April	104,470	93,988	10,482	10.03%
Total	1,407,867	1,297,331	110,536	7.85%

Water Saving Tips:

- A leaky toilet can use as much as 50,000 gallons of water in just one month!
- By installing a shower flow controller you can save 4,000 gallons of heated water during a year
- St. Charles residents' sewer bills are based on actual water charges. The sewer charge is capped at 130% of the residents' January, February, and March water usage average.
- Residents can water their lawns and wash their cars without additional sewer charges.

Data Source: *Public Works-Fact Sheet*

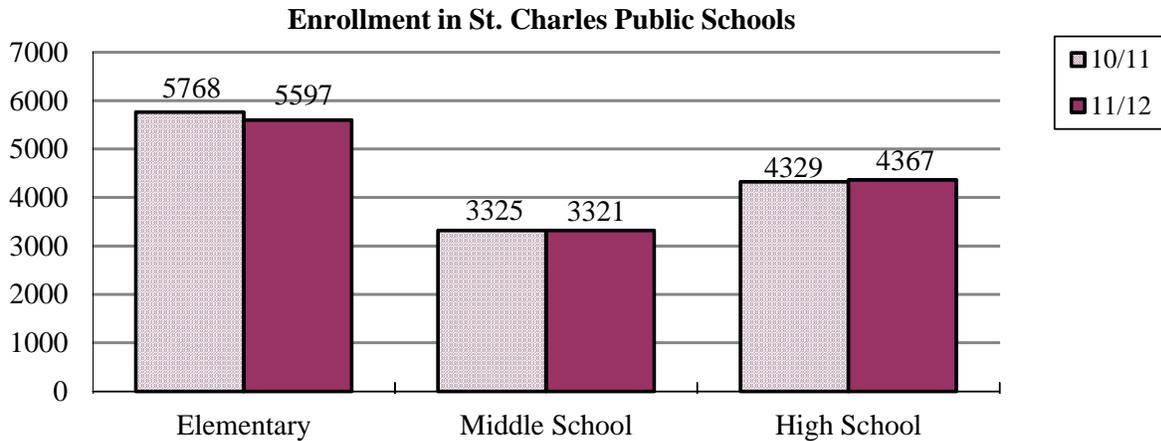
Electric Utilities

Number of Substations	7
Number of Customers	16,174
Average monthly kWh billed	44,397,939
Total KWh billed 2010/2011	532,775,266

Education

Number of public schools:

Elementary	12
Middle School	3
High School	2
Special Education	1



Data Source: www.d303.org

Recreation and Cultural

Parks	51	Libraries	1
Park acreage	1,372	Books owned	381,160
Recreation centers	2	Registered patrons	55,092
Park District pools	2	Churches	20
Public Golf Courses	3	Community Centers	3
Miniature Golf Courses	1	Restaurants	96
Annual Park District Programs	1,600	Banquet Facilities	5
Cultural Arts Center	1	Hotel/Motel Rooms	1,361
Financial Institutions	18	Conference Center	2

Data Source: *Parks Facilities*

Transportation

Major Roads and Highways: East-West Toll way (I-88); and the North-West Toll way (I-90)

Airports: Chicago's O'Hare International (50 min); Midway Airport (1 Hr.); and a local airport for business commuters – Dupage Airport (5 min)

Average commute: Chicago Loop 60 to 65 min. by car or rail; East-West Research and Development Corridor (Naperville) 15 to 20 min.

Property Construction and Sales

Building Permits:



Fiscal Year	New Commercial Construction		New Business Construction		New Residential Construction		Total Building Permits**	
	# of Permits	Value	# of Permits	Value	# of Permits*	Value	#of Permits	Value
2000	8	3,000,000	8	17,548,000	580	66,431,630	1,921	118,333,227
2001	7	5,780,000	21	28,044,192	441	28,117,192	1,618	93,749,090
2002	7	5,534,505	15	19,268,000	533	68,639,874	1,375	21,365,771
2003	1	580,000	11	16,940,000	315	49,522,109	1,870	105,941,733
2004	2	1,460,000	14	11,899,500	168	35,890,014	2,116	97,315,718
2005	4	4,707,204	13	26,905,350	83	22,352,839	1,732	85,875,594
2006	2	1,550,000	7	7,616,000	114	28,891,316	1,828	84,613,179
2007	5	3,805,000	10	13,990,000	58	15,814,030	1,667	61,901,772
2008	2	2,308,000	10	37,357,000	24	10,036,214	1,851	83,659,729
2009	1	1,100,000	4	2,950,000	7	2,722,690	1,683	51,923,958
2010	-	---	1	5,000,000	8	1,910,000	1,872	39,464,013

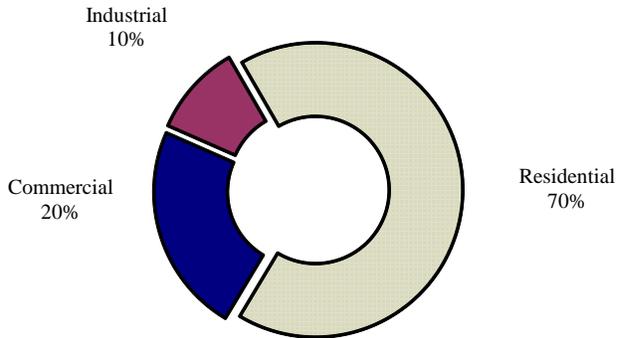
* This total is all residential dwelling units not number of permits.

** Total permits issued include new construction, alterations, additions and repairs.

Data Source: Building & Code Enforcement Dept

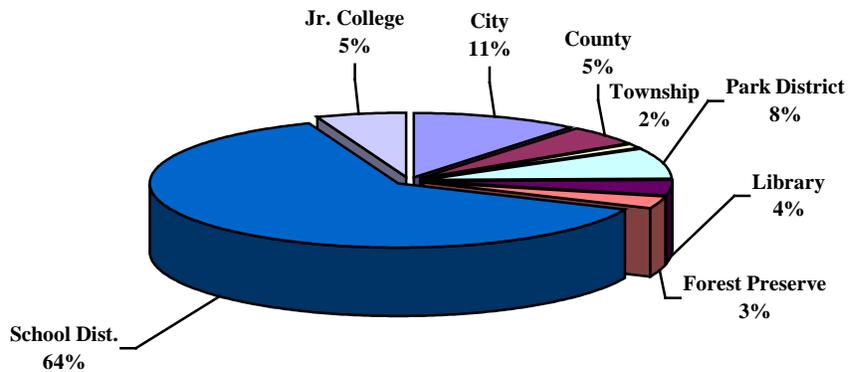
Property Taxes

**Land Use
Based on 2010 EAV**



As the chart shows, 70% of land use in St. Charles is for residential. The mix in St. Charles allows for convenient shopping, as well as an industrial and commercial base that provides taxes and employment opportunities.

**Property Tax Allocation
2010 Collected in 2011**



**2010 (Levy Year)
Typical Total Tax Rate**

City	\$0.7785
County	.3730
Forest Preserve	.2201
Township	.1075
Cemetery	.0128
Park District	.5550
Library	.2653
School District # 303	4.6040
Junior College # 509	<u>.4407</u>
	\$7.3569

Property taxes only account for 9.1% of total revenues for the City. General fund property taxes account for 31.5% of general fund revenues. That includes funding for the police and fire pensions. Taxes to fund general City services only amount to 25.4% of general fund revenues.



**2010 Municipal Property Tax Rate Comparison
In Same Local Area**

<u>Municipality</u>	<u>Municipal Tax Rate</u>	<u>Estimate City * Property Tax</u>
St. Charles	0.7785	\$ 751
Aurora	1.7134	1,653
Batavia	0.5924	572
Elgin	1.8823	1,816
Geneva	0.6036	582

* Based on \$300,000 property value.

2010 Top 11 Property Tax Payers

<u>Taxpayer</u>	<u>2010 Assessed Valuation</u>
Arthur Anderson & Co.	\$15,463,028
AMLI at St. Charles	12,123,792
Main Street Commons	7,999,200
Meijer Stores Limited Partnership	6,162,143
St Charles Country Club	5,999,762
Delnor Community Residential Living	5,683,275
Costco Wholesale Corp	5,351,643
Target Corp	5,266,829
American Small Business	5,128,229
Covington Court Apartments	4,506,220

Data Source: Kane County Clerk office

Sales Tax Rates:

The local sales tax rate is 8.0% (includes a 1% home rule tax)*

*Qualifying goods, drugs, medical at 1.25%. Titled vehicles are taxed at 7.0%; add 1.0% Chicago Home Rule Tax if a vehicle bought in St. Charles is registered in Chicago.

The City's website is www.stcharlesil.gov. St. Charles has worked hard to provide a wealth of useful information to the internet user. We monitor and update information often. Agendas for all City related meetings are updated weekly. Other information on the web includes: job openings and how to apply, City newsletters, a listing of aldermen with a ward map, council committees, the budget-in-brief, the City mission statement and a brief description of each service area, construction information, 160 years of history, and a complete listing of E-mail addresses within the City.

Budget Reports by Fund

<u>Projected Available Fund Balance</u>	<u>V – 2</u>
<u>Revenues and Expenditures by Fund Type</u>	<u>V – 8</u>
<u>Description of Funds</u>	<u>V – 11</u>
<u>Revenues and Expenditures All Funds</u>	<u>V - 14</u>

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Fund Reports

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into three broad fund categories and seven generic fund types as shown in the second report, Revenues and Expenditures by Fund and Fund Type.

Fund Summary

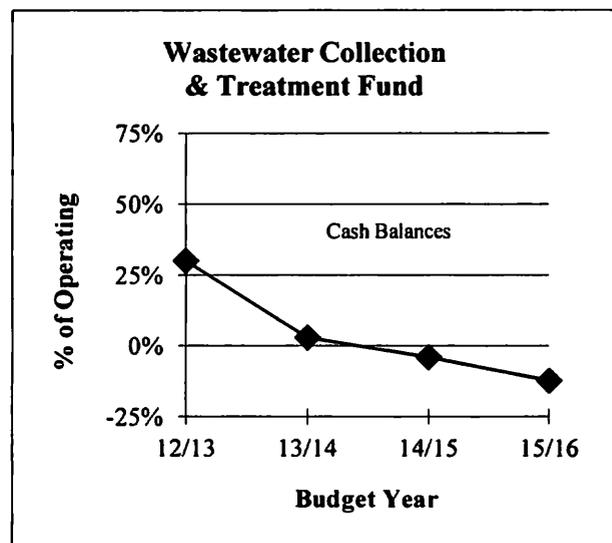
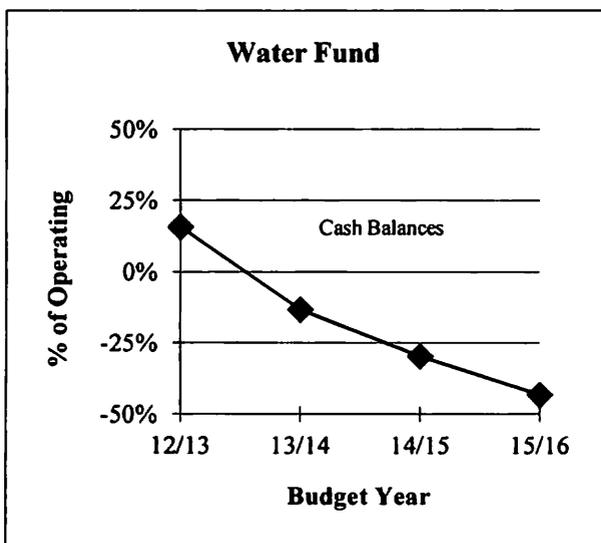
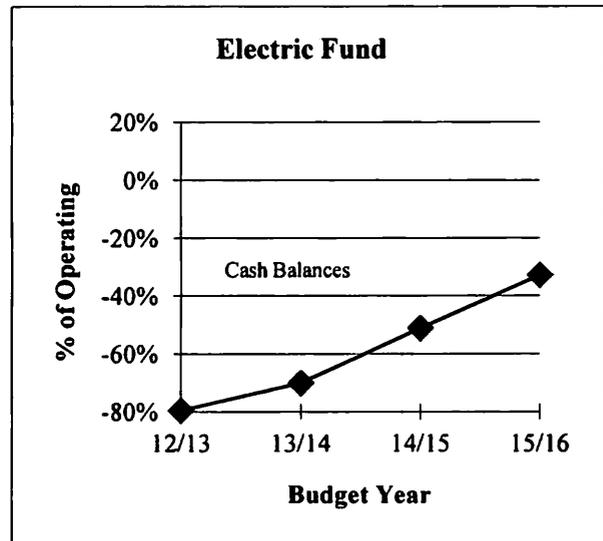
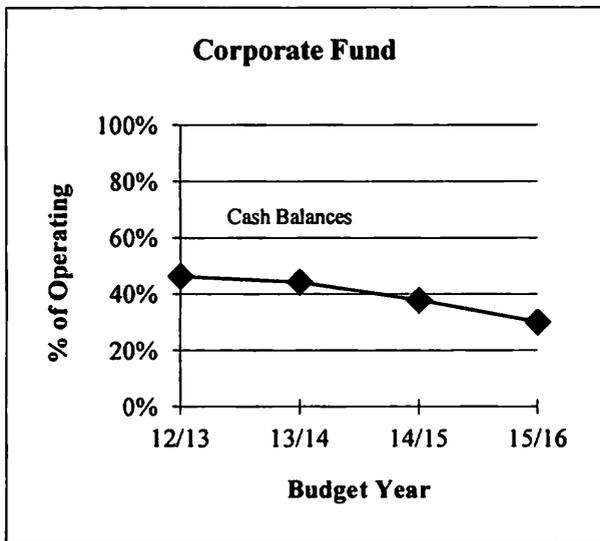
Projected Available

Fund Balance

This report is a broad summary of each fund. Since the City must maintain the integrity of its various funds, this report provides the reader with a perspective of each fund's financial position at the beginning of the fiscal year, the level of activity during the period, and what resources will be available at the end of each period.

Available Cash Balances As a % of Operating Expenditures/Expenses 12/13 - 15/16

The City's policy is to try to maintain an available fund balance of at least 25% of operating expenditures for the corporate fund and 25% to 50% of expenses for the enterprise funds. It is important to try to maintain this level of reserves in order to provide for unforeseen events. It also provides a "cushion" for transition through cyclical changes and has been instrumental in helping the City address recent economic conditions. The analysis for the electric fund does not include wholesale power costs in operating expenses because the "cushion" is to allow for unanticipated fluctuations in operating costs.



Fund Summary for Fiscal Year 2012/2013
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/12	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/13
Corporate	\$16,604,822	\$40,439,742	\$34,649,245	\$250,000	\$6,765,057	\$15,880,262
Electric	(6,899,750)	53,131,732	55,687,536	267,994	381,891	(9,569,451)
Water	1,618,896	6,203,805	7,076,565		135,088	611,048
Sewer	2,578,019	16,548,380	17,148,896		246,093	1,731,410
Refuse	317,283	406,494	639,103	230,000		314,674
TIF Districts	380,400	1,713,029	0		1,807,256	286,173
Motor Fuel Tax	2,635,678	842,677	1,449,960			2,028,395
Police Pension	26,570,083	2,349,913	1,989,500			26,930,496
Fire Pension	27,236,344	2,002,731	1,043,560			28,195,515
Capital Projects	10,948,831	8,012,444	14,152,067	1,704,616	550,000	5,963,824
Debt Service	1,784,232	721,000	8,496,661	7,575,139		1,583,710
ISF-Inventory	0	3,859,531	3,835,828			23,703
ISF-Vehicles	3,929,677	3,047,893	2,162,108			4,815,462
ISF-Health Insurance	1,532,517	4,935,408	4,584,894		250,000	1,633,031
ISF-Liability & W/C	623,480	1,130,445	1,240,660	169,300		682,565
ISF-Communications	615,499	480,898	472,130		61,664	562,603
Totals	\$90,476,011	\$145,826,122	\$154,628,713	\$10,197,049	\$10,197,049	\$81,673,420

**Fund Summary for Fiscal Year 2013/2014
Projected Available Fund Balance**

Fund	Projected Available Fund Balance 5/1/13	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/14
Corporate	\$15,880,262	\$40,847,419	\$33,903,128		\$7,900,848	\$14,923,705
Electric	(9,569,451)	55,051,704	53,997,540	274,184	373,379	(8,614,482)
Water	611,048	6,808,886	7,818,235		132,156	(530,457)
Sewer	1,731,410	8,136,331	9,458,089		240,614	169,038
Refuse	314,674	418,261	545,433	129,000		316,502
TIF Districts	286,173	1,716,411	0		1,672,772	329,812
Motor Fuel Tax	2,028,395	867,957	1,478,108			1,418,244
Police Pension	26,930,496	2,408,096	2,049,155			27,289,437
Fire Pension	28,195,515	2,052,753	1,074,756			29,173,512
Capital Projects	5,963,824	3,757,000	8,801,874	1,795,628	367,909	2,346,669
Debt Service	1,583,710	739,025	9,310,933	8,371,651		1,383,453
ISF-Inventory	23,703	3,994,721	3,958,385			60,039
ISF-Vehicles	4,815,462	3,165,013	2,191,450			5,789,025
ISF-Health Insurance	1,633,031	4,900,331	4,798,556			1,734,806
ISF-Liability & W/C	682,565	1,590,905	1,277,882	178,879		1,174,467
ISF-Communications	562,603	454,174	513,758		61,664	441,355
Totals	\$81,673,420	\$136,908,987	\$141,177,282	\$10,749,342	\$10,749,342	\$77,405,125

Fund Summary for Fiscal Year 2014/2015
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/14	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/15
Corporate	\$14,923,705	\$41,390,750	\$34,987,945		\$8,171,632	\$13,154,878
Electric	(8,614,482)	57,413,343	55,224,732	281,059	379,027	(6,523,839)
Water	(530,457)	6,076,058	6,666,991		134,093	(1,255,483)
Sewer	169,038	8,861,650	9,023,351		244,249	(236,912)
Refuse	316,502	430,638	561,796	130,000		315,344
TIF Districts	329,812	1,745,355	0		1,653,562	421,605
Motor Fuel Tax	1,418,244	893,996	1,478,108			834,132
Police Pension	27,289,437	2,505,461	2,110,600			27,684,298
Fire Pension	29,173,512	2,134,404	1,106,889			30,201,027
Capital Projects	2,346,669	1,920,816	4,055,316	1,848,751	367,909	1,693,011
Debt Service	1,383,453	757,501	9,522,843	8,563,581		1,181,692
ISF-Inventory	60,039	4,126,882	4,078,645			108,276
ISF-Vehicles	5,789,025	3,290,971	2,688,248			6,391,748
ISF-Health Insurance	1,734,806	5,007,422	5,022,635			1,719,593
ISF-Liability & W/C	1,174,467	1,638,485	1,316,218	188,745		1,685,479
ISF-Communications	441,355	436,795	489,451		61,664	327,035
Totals	\$77,405,125	\$138,630,527	\$138,333,768	\$11,012,136	\$11,012,136	\$77,701,884

Fund Summary for Fiscal Year 2015/2016
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/15	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/16
Corporate	\$13,154,878	\$42,011,422	\$36,433,339		\$7,847,415	\$10,885,546
Electric	(6,523,839)	60,233,569	57,891,625	287,125	377,137	(4,271,907)
Water	(1,255,483)	5,909,343	6,427,630		133,472	(1,907,242)
Sewer	(236,912)	8,935,612	9,214,941		243,036	(759,277)
Refuse	315,344	443,064	578,662	133,900		313,646
TIF Districts	421,605	1,789,727	0		1,696,805	514,527
Motor Fuel Tax	834,132	920,816	966,408			788,540
Police Pension	27,684,298	2,607,000	2,173,887			28,117,411
Fire Pension	30,201,027	2,219,514	1,139,983			31,280,558
Capital Projects	1,693,011	0	755,000	1,497,816	367,909	2,067,918
Debt Service	1,181,692	780,218	9,590,307	8,614,190		985,793
ISF-Inventory	108,276	4,252,510	4,202,034			158,752
ISF-Vehicles	6,391,748	3,424,352	2,553,459			7,262,641
ISF-Health Insurance	1,719,593	5,102,730	5,257,701			1,564,622
ISF-Liability & W/C	1,685,479	1,687,528	1,355,723	194,407		2,211,691
ISF-Communications	327,035	461,955	512,400		61,664	214,926
Totals	\$77,701,884	\$140,779,360	\$139,053,099	\$10,727,438	\$10,727,438	\$79,428,145

Revenues and Expenditures

by

Fund and Fund Type

The following report is presented by Fund and Fund Type. A description of the City's funds and fund structure is provided. Each fund of the City is described and analyzed along with graphic representation if appropriate. Two years of history, the proposed budget, and a three year projection are provided.

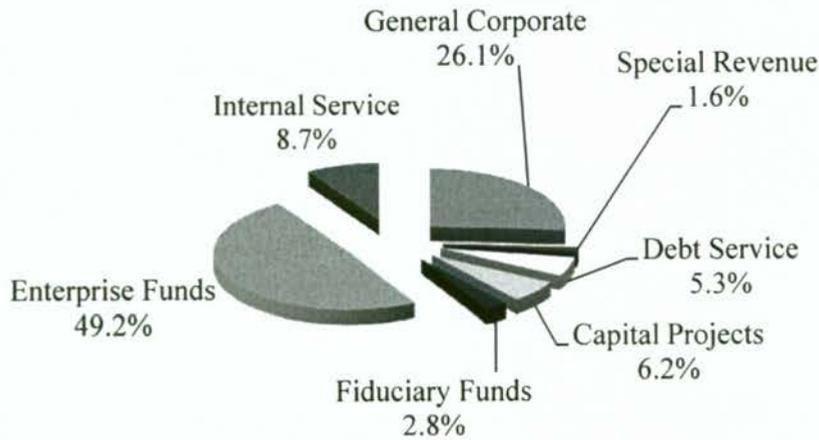
**Budget Summary by Fund Type
Proposed Budget Year 2012/13**

	General Corporate	Special Revenue	Debt Service	Capital Projects	Fiduciary Fund Types	Enterprise Funds	Internal Service	Total (Memorandum Only)
Revenues:								
Property Taxes	\$ 12,551,106	\$ 1,608,799	\$ -	\$ -	\$ -	\$ 30,400	\$ -	\$ 14,190,305
Sales & Use Taxes	15,794,358	35,376	721,000	-	-	-	-	16,550,734
Electric Franchise Fee	3,019,417	-	-	-	-	-	-	3,019,417
Hotel Tax	1,920,000	64,110	-	-	-	-	-	1,984,110
Liquor Tax	962,800	-	-	-	-	-	-	962,800
Admission Tax	105,500	-	-	-	-	-	-	105,500
Telecommunications Tax	1,340,000	-	-	-	-	-	-	1,340,000
Licenses & Permits	434,930	-	-	-	-	-	-	434,930
Connection Fees	-	-	-	-	-	82,642	-	82,642
User Charges	-	-	-	-	-	61,544,117	274,965	61,819,082
Intergovernmental Revenue	2,933,381	-	-	142,500	-	-	-	3,075,881
Motor Fuel Tax	-	842,677	-	-	-	-	-	842,677
Reimbursement for Improvements	-	-	-	-	-	173,900	-	173,900
Reimbursement for Services	620,789	-	-	-	-	-	-	620,789
Pension Contributions	-	-	-	-	3,090,144	-	-	3,090,144
Fines & Court Fees	478,607	-	-	-	-	-	-	478,607
Interest Income	136,600	4,744	-	-	1,262,500	22,692	18,038	1,444,574
Charges to Other Funds	-	-	-	-	-	-	4,141,768	4,141,768
Sale of Property	-	-	-	-	-	-	2,900,781	2,900,781
Insurance Premiums	-	-	-	-	-	-	6,057,400	6,057,400
Financing Proceeds	-	-	-	7,869,944	-	12,666,000	-	20,535,944
Miscellaneous Revenue	142,254	-	-	-	-	1,770,660	61,223	1,974,137
Transfers In	250,000	-	7,575,139	1,704,616	-	497,994	169,300	10,197,049
Total Revenues	\$ 40,689,742	\$ 2,555,706	\$ 8,296,139	\$ 9,717,060	\$ 4,352,644	\$ 76,788,405	\$ 13,623,475	\$ 156,023,171
Expenditures/Expenses:								
General Government	\$ 3,169,778	\$ -	\$ 8,496,661	\$ -	\$ -	\$ -	\$ 9,083,768	\$ 20,750,207
Public Health and Safety	20,862,368	-	-	-	3,033,060	639,103	862,269	25,396,800
Public Works	7,876,756	1,449,960	-	14,152,067	-	-	1,996,839	25,475,622
Public Utilities	-	-	-	-	-	79,912,997	328,744	80,241,741
Community Development	2,740,343	-	-	-	-	-	24,000	2,764,343
Transfers Out	6,765,057	1,807,256	-	550,000	-	763,072	311,664	10,197,049
Total Expenditures	\$ 41,414,302	\$ 3,257,216	\$ 8,496,661	\$ 14,702,067	\$ 3,033,060	\$ 81,315,172	\$ 12,607,284	\$ 164,825,762
Excess (Deficiency) of Revenues over Expenditures	\$ (724,560)	\$ (701,510)	\$ (200,522)	\$ (4,985,007)	\$ 1,319,584	\$ (4,526,767)	\$ 1,016,191	\$ (8,802,591)
Beginning Fund Balance/ Net Assets	\$ 22,141,738	\$ 337,183	\$ 1,784,232	\$ 10,710,423	\$ 53,806,427	\$ 91,866,963	\$ 13,316,307	\$ 193,963,273
Ending Fund Balance/ Net Assets	\$ 21,417,178	\$ (364,327)	\$ 1,583,710	\$ 5,725,416	\$ 55,126,011	\$ 87,340,196	\$ 14,332,498	\$ 185,160,682

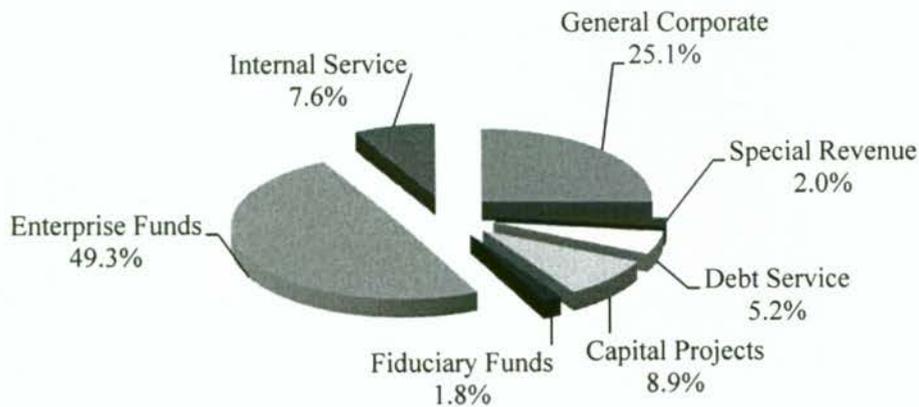
Revenues and Expenditures by Fund Type Proposed Budget Year 2012/13

The following graphs depict the relationship of the City's revenues and expenditures/expenses by fund type. The graphs do include interfund transfers. The General Corporate fund is used to account for general City services which include general administration, economic and community development, streets, planning, and police and fire protection. Special Revenue funds are used to segregate funds for activities financed through separate taxes. Internal Service funds, such as inventory control are used to service other funds. As shown, the largest funds of the City are Enterprise funds. These funds are used to account for the City's "business type" activities. They include the City's electric, water and wastewater utilities, as well as refuse services. Please refer to the following pages for a description of the City's funds and fund types.

Revenues - All Fund Types



Expenditures - All Fund Types



Description of Funds and Fund Types

For accounting purposes a state or local government is not treated as a single, integral entity. Rather, a government is viewed instead as a collection of smaller, separate entities known as "funds." The Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards (Codification)*, Section 1300, defines a fund as:

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

All of the funds used by a government must be classified into one of seven "fund types." Four of these fund types are used to account for a state or local government's "governmental-type" activities and are known as "governmental funds." Two of these fund types are used to account for a government's "business-type" activities and are known as "proprietary funds." Finally, the seventh fund type is reserved for a government's "fiduciary activities."

Governmental Funds

Four fund types are used to account for governmental-type activities. These are the general fund, special revenue funds, debt service funds, and capital projects funds.

General Corporate Fund

The General Corporate Fund is used to account for most of the day-to-day operations of the City, which are financed from property taxes and other general revenues. Activities financed by the General Fund include those of line and staff departments within the City except for activities of the Enterprise Funds. There can only be one general fund.

Special Revenue Funds

Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government and which therefore cannot be diverted to other uses. The City has the following special revenue funds:

TIF Funds – used to account for incremental revenue collected to cover debt service for Tax Increment Financing (TIF) districts.

Motor Fuel Tax - underwrites the cost of various street and bridge improvements subject to the approval of the State of Illinois. Revenues for this program are disbursed to municipalities on a per-capita basis based on fuel sales within the State of Illinois.

Subsidized Transportation - Accounts for funding related to the City's participation in the Ride In Kane Program. This program provides low cost transit service to senior citizens and others in need throughout Kane County.

Debt Service Funds

The Debt Service Funds are used to account for the payment of interest and principal on general and special obligation debts other than those payable from special assessments and debt issued for and serviced by a governmental enterprise.

Capital Project Funds

The Capital Projects Funds account for all resources used for the acquisition and/or construction of capital equipment and facilities by the City except those financed by the Special Assessment, Enterprise and Internal Service Funds.

Proprietary Funds

Two fund types are used to account for a government's business-type activities (activities that receive a significant portion of their funding through user fees). These are the enterprise funds and the internal service funds.

Enterprise Funds

Electric, Water and Sewer Maintenance Funds are used to account for the acquisition, operation and maintenance of City-owned electric, water and sewer facilities and services which are entirely or predominantly self-supported by user charges. The operations of these funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. Also included in the enterprise funds is the refuse fund. This fund, however, receives some support from the general fund in the form of an inter-fund transfer.

Internal Service Funds

Internal Service Funds are used by state and local governments to account for the financing of goods and services provided by one department or agency to other departments or agencies, and to other governments, on a cost-reimbursement basis.

Inventory Control Fund - used to account for the acquisition of materials and supplies inventory that is provided to the various City funds.

Motor Vehicle Replacement Fund - used to account for the replacement of all existing motor vehicles and motorized equipment for governmental funds. Vehicle replacements for electric, water, sewer are budgeted in the appropriate enterprise fund. Vehicle replacement for inventory control is budgeted in the inventory control internal service fund.

Self-Insurance Funds - used to account for self-insurance activity related to health, worker's compensation and property/casualty/crime. Self-insurance activity for electric, water and sewer are accounted for in the appropriate enterprise funds. Self-insurance for inventory control is budgeted in the inventory internal service fund.

Communication Fund – used to account for communications infrastructure costs that are provided to the various City funds and other users and for the replacement of all computer equipment and copiers for governmental funds.

Fiduciary Funds

These funds are used when a government holds or manages financial resources in an agent or fiduciary capacity. This single fund type is subdivided into four "sub-fund types" to account for various types of fiduciary obligations. These are pension trust funds and agency funds.

Pension Trust Funds

Pension trust funds are used when governments manage pension plans.

Police and Firemen's Pension - provides for payment of retirement benefits. Funding comes from investment income, property tax, City contributions and employee contributions.

Agency Funds

Trust funds typically involve some degree of financial management. Agency funds are used when the government plays a more limited role by just collecting funds on behalf of some third party.

Special Assessment - this fund accounts for the collection of special assessment payments from property owners and the subsequent payment to bondholders. This fund has a balance due to special assessment bondholders and is not a budgeted fund.

Summary of Revenues and Expenditures (Expenses)

All Funds

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	-----Projected-----		
				FY 13/14	FY 14/15	FY 15/16
Revenues						
13,865,758	14,114,414	Property Taxes	14,190,305	14,174,570	14,204,319	14,256,746
14,885,978	15,780,848	Sales & Use Taxes	16,550,734	16,837,772	17,193,862	17,616,584
837,925	987,043	Liquor Tax	962,800	1,001,312	1,031,351	1,057,135
2,836,050	2,839,708	Franchise Fees	3,019,417	3,174,029	3,261,993	3,332,231
1,664,216	1,927,804	Hotel Occupation Tax	1,984,110	2,008,912	2,034,023	2,059,449
55,745	103,189	Admission Tax	105,500	106,632	107,777	108,937
1,336,605	1,253,179	Telecommunications Tax	1,340,000	1,300,000	1,280,000	1,280,000
459,408	438,215	Licenses & Permits	434,930	435,976	437,028	438,084
81,447	165,625	Connection Fees	82,642	83,269	83,692	84,523
55,432,758	58,687,656	User Charges	61,819,082	66,032,651	68,507,169	71,032,719
3,123,198	13,821,620	Intergovernmental Revenue	3,075,881	3,064,939	3,688,125	3,106,951
968,906	979,575	Motor Fuel Tax	842,677	867,957	893,996	920,816
445,256	1,102,614	Reimbursement for Improvements	173,900	205,206	176,081	177,841
2,203,322	531,172	Reimbursement for Services	620,789	545,973	551,182	556,419
3,609,178	3,279,759	Pension Contributions	3,090,144	3,160,474	3,300,478	3,446,946
403,326	428,721	Fines & Court Fees	478,607	481,001	483,404	485,823
5,827,631	1,365,716	Investment Income	1,444,574	1,482,932	1,523,347	1,572,572
3,812,901	3,812,164	Charges to Other Funds	4,141,768	4,287,194	4,453,228	4,617,027
2,733,214	3,420,903	Sale of Property	2,900,781	2,987,804	3,077,438	3,169,765
2,567,725	2,679,808	Miscellaneous Revenue	1,974,137	1,589,759	1,636,634	1,677,475
5,404,062	5,891,550	Insurance Premiums	6,057,400	6,482,625	6,637,134	6,781,317
18,989,558	13,545,958	Capital Financing Proceeds	20,535,944	6,598,000	4,068,266	3,000,000
141,544,167	147,157,241	Sub-Total	145,826,122	136,908,987	138,630,527	140,779,360
9,755,130	8,595,348	Transfers In	10,197,049	10,749,342	11,012,136	10,727,438
151,299,297	155,752,589	Total	156,023,171	147,658,329	149,642,663	151,506,798
Expenditures/Expenses						
25,409,799	27,286,181	General Government	20,750,207	21,645,848	22,316,952	22,833,275
25,915,964	24,991,227	Public Health and Safety	25,576,800	25,398,027	26,281,402	27,427,134
11,284,501	31,471,271	Public Works	25,295,622	20,189,896	16,153,400	12,119,842
68,073,466	73,103,224	Public Utilities	80,241,741	71,611,236	71,240,139	73,889,210
2,232,341	2,557,497	Community Development	2,764,343	2,332,275	2,341,875	2,783,638
132,916,071	159,409,400	Sub-Total	154,628,713	141,177,282	138,333,768	139,053,099
9,882,280	8,672,794	Transfers Out	10,197,049	10,749,342	11,012,136	10,727,438
142,798,351	168,082,194	Total	164,825,762	151,926,624	149,345,904	149,780,537
8,500,946	(12,329,605)	Excess (Deficiency) of Revenues over Expenditures/Expenses	(8,802,591)	(4,268,295)	296,759	1,726,261

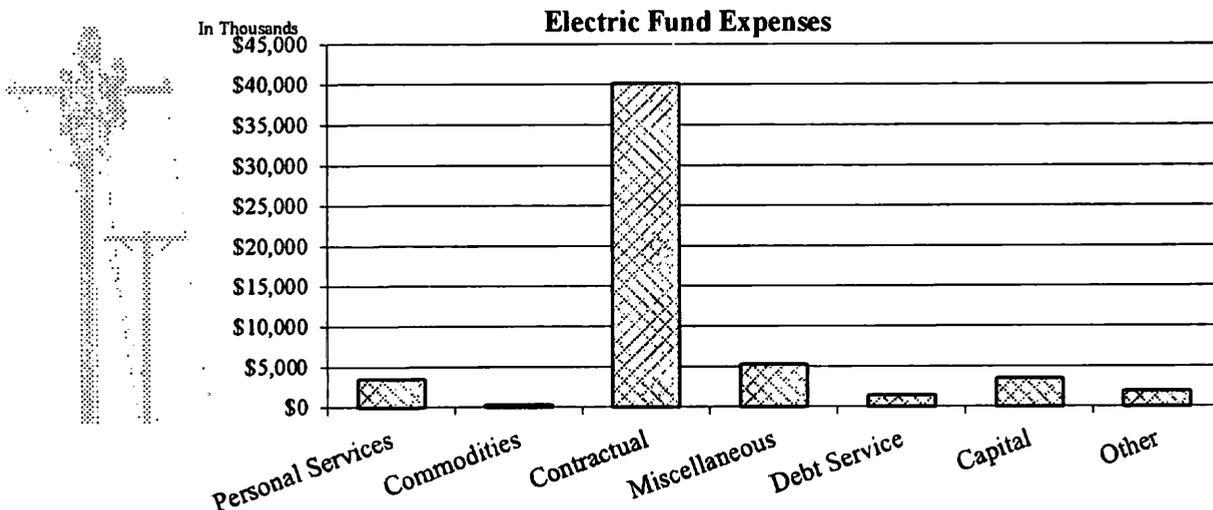
General Corporate Fund - This fund is used to account for most of the current day to day operations of the City which are financed through property taxes and other general revenues. Activities financed by the general fund include those of staff within the City, such as Police, Fire, Public Works Administration and Central Support.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected FY 13/14	Projected FY 14/15	Projected FY 15/16
Revenues						
12,526,629	12,474,765	Property Taxes	12,551,106	12,533,293	12,535,684	12,545,293
14,072,391	14,920,618	Sales & Use Taxes	15,794,358	16,062,665	16,399,376	16,798,364
837,925	987,043	Liquor Tax	962,800	1,001,312	1,031,351	1,057,135
2,836,050	2,839,708	Franchise Fees	3,019,417	3,174,029	3,261,993	3,332,231
55,745	103,189	Admissions Taxes	105,500	106,632	107,777	108,937
1,612,461	1,863,548	Hotel Occupation Tax	1,920,000	1,944,000	1,968,300	1,992,904
1,336,605	1,253,179	Telecommunications Tax	1,340,000	1,300,000	1,280,000	1,280,000
459,408	438,215	Licenses & Permits	434,930	435,976	437,028	438,084
2,863,323	2,976,781	Intergovernmental Revenue	2,933,381	2,965,939	3,035,575	3,106,951
2,203,322	531,172	Reimbursement for Services	620,789	545,973	551,182	556,419
403,326	428,721	Fines & Court Fees	478,607	481,001	483,404	485,823
155,968	50,534	Investment Income	136,600	136,909	137,217	145,029
224,638	119,965	Miscellaneous Revenue	142,254	159,690	161,863	164,252
0	0	Transfers In	250,000	0	0	0
39,587,791	38,987,438	Total	40,689,742	40,847,419	41,390,750	42,011,422
Expenditures						
General Government						
3,707,099	4,060,950	Personal Services	4,227,152	4,083,120	4,235,181	4,370,568
1,712,388	2,056,174	Other Operating	1,913,959	1,825,472	1,823,560	1,858,705
(3,031,356)	(2,950,028)	Allocations to Other Funds	(3,038,533)	(3,128,254)	(3,222,105)	(3,318,781)
108,372	91,246	Capital	67,200	86,000	140,500	147,500
2,496,503	3,258,342	Sub-Total	3,169,778	2,866,338	2,977,136	3,057,992
Public Health and Safety						
16,791,355	16,307,734	Personal Services	16,670,096	16,403,083	16,939,700	17,496,537
4,144,189	3,958,265	Other Operating	4,077,622	4,368,640	4,494,975	4,621,265
853,727	307,886	Capital	114,650	97,400	93,650	60,900
21,789,271	20,573,885	Sub-Total	20,862,368	20,869,123	21,528,325	22,178,702
Public Works						
3,592,047	3,735,118	Personal Services	3,820,191	3,903,029	4,029,242	4,160,004
4,641,784	5,241,106	Other Operating	5,624,744	5,569,725	5,775,327	5,967,029
(1,698,636)	(1,535,396)	Allocations to Other Funds	(1,581,458)	(1,628,902)	(1,677,769)	(1,728,112)
128,893	67,932	Capital	8,695	8,956	9,225	9,502
84,660	84,658	Debt Retirement	4,584	4,584	4,584	4,584
6,748,748	7,593,418	Sub-Total	7,876,756	7,857,392	8,140,609	8,413,007
Community Development						
1,694,012	1,832,359	Personal Services	1,763,788	1,807,235	1,866,340	1,927,167
826,525	753,402	Other Operating	1,099,513	817,802	799,742	1,190,397
(358,092)	(296,694)	Allocations to Other Funds	(305,592)	(314,762)	(324,207)	(333,926)
3,582	265,629	Capital	182,634	0	0	0
2,166,027	2,554,696	Sub-Total	2,740,343	2,310,275	2,341,875	2,783,638
Transfers						
3,955,453	3,505,688	Transfers Out - Debt Service	4,454,811	5,584,821	5,784,741	5,795,831
2,824,438	1,602,777	Transfers Out - Other	2,310,246	2,316,027	2,386,891	2,051,584
6,779,891	5,108,465	Sub-Total	6,765,057	7,900,848	8,171,632	7,847,415
39,980,440	39,088,806	Total	41,414,302	41,803,976	43,159,577	44,280,754
Excess (Deficiency) of						
(392,649)	(101,368)	Revenues over Expenditures	(724,560)	(956,557)	(1,768,827)	(2,269,332)
22,635,755	22,243,106	Beginning Fund Balance	22,141,738	21,417,178	20,460,621	18,691,794
22,243,106	22,141,738	Ending Fund Balance	21,417,178	20,460,621	18,691,794	16,422,462

Electric Fund - The electric fund is used to account for the acquisition, operation, and maintenance of City-owned electric power facilities. This fund is self-supported by user charges. The operations for this fund are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. There are 7 electric substations in the City that serve approximately 13,216 residential and 2,158 commercial customers.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected		
				FY 13/14	FY 14/15	FY 15/16
Revenues						
38,567	60,265	Connection Fees	37,650	37,933	38,123	38,503
45,847,624	48,108,808	User Charges	50,360,079	53,688,307	55,079,155	56,384,640
23,569	25,416	Property Taxes	30,400	30,628	30,781	31,089
(3,165)	2,300	Investment Income	1,500	1,000	1,500	2,000
427,134	1,096,980	Reimbursements for Improvements	169,800	171,075	171,930	173,648
476,503	705,661	Miscellaneous Revenue	482,303	572,761	591,854	603,689
3,295,361	0	Capital Financing Proceeds	2,050,000	550,000	1,500,000	3,000,000
185,446	261,985	Transfers In	267,994	274,184	281,059	287,125
50,291,039	50,261,415	Total	53,399,726	55,325,888	57,694,402	60,520,694
Expenses						
Public Utilities						
3,174,313	3,339,868	Personal Services	3,491,335	3,675,014	3,789,057	3,784,462
41,759,242	42,089,272	Other Operating	45,765,258	44,799,178	45,660,984	46,642,179
1,930,860	1,816,456	Allocations from Other Funds	1,870,948	1,927,077	1,984,890	2,044,445
1,173,573	4,089,307	Capital	3,496,380	2,391,380	2,659,380	4,274,380
1,006,104	1,220,206	Debt Retirement	1,063,615	1,204,891	1,130,421	1,146,159
49,044,092	52,555,109	Sub-Total	55,687,536	53,997,540	55,224,732	57,891,625
365,002	357,922	Transfers Out - Debt Service	381,891	373,379	379,027	377,137
0	0	Transfers Out - Other	0	0	0	0
365,002	357,922	Sub-Total	381,891	373,379	379,027	377,137
49,409,094	52,913,031	Total	56,069,427	54,370,919	55,603,759	58,268,762
Excess (Deficiency) of						
881,945	(2,651,616)	Revenues over Expenses	(2,669,701)	954,969	2,090,643	2,251,932
52,195,387	48,436,905	Beginning Net Assets	45,785,289	43,115,588	44,070,557	46,161,200
(2,064,050)	0	Fixed Assets Adjustments	0	0	0	0
(2,576,377)	0	Debt Service Adjustments	0	0	0	0
48,436,905	45,785,289	Ending Net Assets	43,115,588	44,070,557	46,161,200	48,413,132

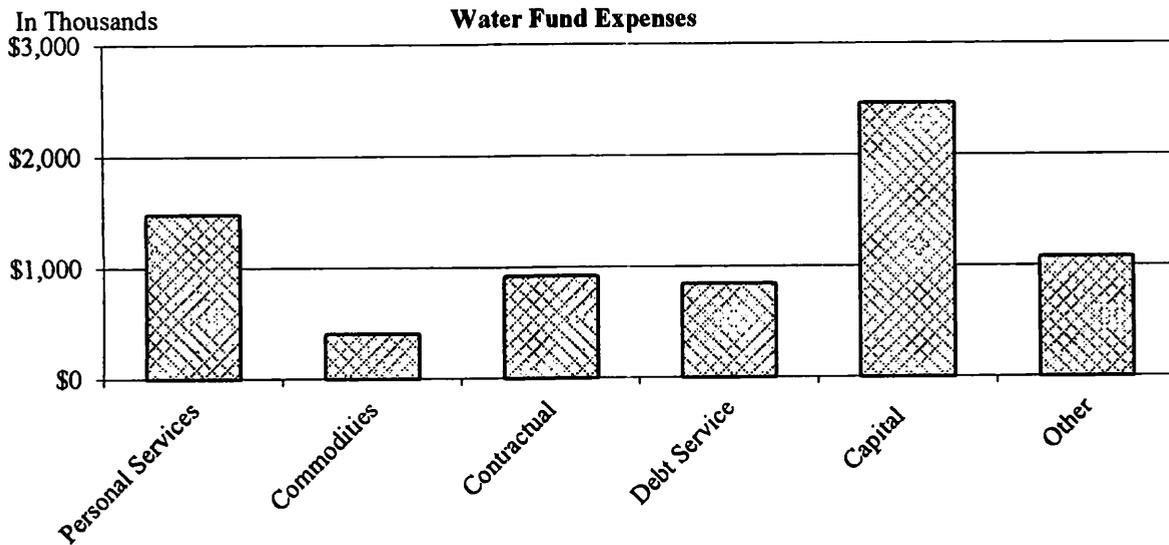
Electric service is supported almost entirely through user charges. Shown below is a graph of expenses for the electric fund budgeted for FY 12/13. The City entered into a contract to buy electric power from IMEA starting in June 2007. It constitutes approximately 76% of operating costs. Due to increasing wholesale power costs, a rate increase is proposed in each of the next 4 years.



Water Fund - The water fund is used to account for the acquisition, operation, and maintenance of City-owned water facilities. These facilities are self-supported by user charges. The operations of this fund are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. The City has 7 wells with an average daily pumpage of 3,900,000 gallons.

Actual FY 10/11	Estimate FY 11/12		Proposed			
			FY 12/13	FY 13/14	FY 14/15	FY 15/16
		Revenues				
21,600	32,890	Connection Fees	19,992	20,148	20,256	20,453
2,976,745	3,540,446	User Charges	4,119,836	4,531,819	4,985,001	5,483,501
16,162	20,517	Investment Income	10,992	11,088	11,148	11,249
0	0	State & Federal Shared Revenue	0	0	0	0
16,990	2,391	Reimbursements for Improvements	0	0	0	0
574,711	486,765	Miscellaneous Revenue	972,985	375,831	384,653	394,140
6,195,780	2,186,441	Capital Financing Proceeds	1,080,000	1,870,000	675,000	0
0	0	Transfers In	0	0	0	0
9,801,988	6,269,450	Total	6,203,805	6,808,886	6,076,058	5,909,343
		Expenses				
		Public Utilities				
1,409,680	1,421,870	Personal Services	1,486,338	1,573,397	1,622,650	1,668,258
1,333,862	1,606,052	Other Operating	1,565,728	1,563,959	1,700,700	1,809,990
866,916	820,421	Allocations from Other Funds	845,035	868,954	895,024	921,885
4,940,031	5,456,114	Capital	2,468,537	3,024,483	1,518,937	1,044,592
169,758	627,641	Debt Retirement	710,927	787,442	929,680	982,905
8,720,247	9,932,098	Sub-Total	7,076,565	7,818,235	6,666,991	6,427,630
123,760	121,360	Transfers Out - Debt Service	135,088	132,156	134,093	133,472
8,844,007	10,053,458	Total	7,211,653	7,950,391	6,801,084	6,561,102
957,981	(3,784,008)	Excess (Deficiency) of Revenues over Expenses	(1,007,848)	(1,141,505)	(725,026)	(651,759)
22,427,919	21,281,833	Beginning Net Assets	17,497,825	16,489,977	15,348,472	14,623,446
4,026,713	0	Fixed Assets Adjustments	0	0	0	0
(6,130,780)	0	Debt Service Adjustments	0	0	0	0
21,281,833	17,497,825	Ending Net Assets	16,489,977	15,348,472	14,623,446	13,971,687

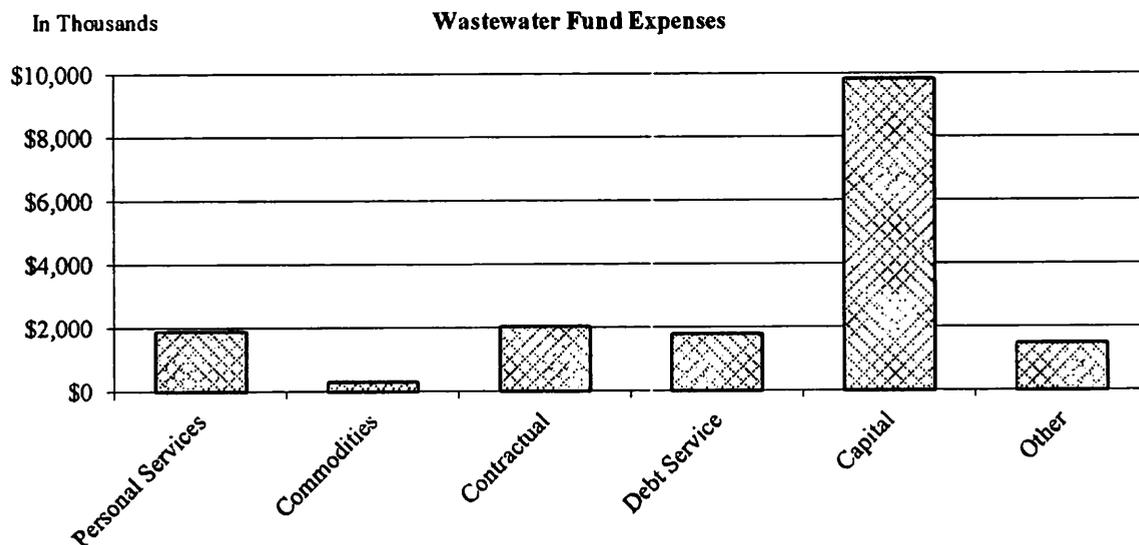
Shown below are the expenditures for the budget year 12/13. Rate increases are proposed for the next four fiscal years.



Wastewater Fund - The wastewater fund is used to account for the acquisition, operation, and maintenance of City-owned wastewater facilities. This includes sewage treatment and sanitary sewers. The fund is self-supported by user charges. The operations of this fund are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. There is an average daily flow of 6,200,000 of wastewater with a capacity of 9,700,000.

Actual FY 10/11	Estimate FY 11/12		Proposed	Projected			
			FY 12/13	FY 13/14	FY 14/15	FY 15/16	
		Revenues					
21,280	72,470	Connection Fees	25,000	25,188	25,313	25,567	
5,811,141	6,372,313	User Charges	6,673,838	7,167,278	7,803,608	8,487,771	
24,549	23,609	Investment Income	9,000	9,067	9,112	9,203	
0	0	State & Federal Shared Revenue	0	0	0	0	
1,132	3,243	Reimbursements for Improvements	4,100	4,131	4,151	4,193	
239,575	348,120	Miscellaneous	300,442	380,667	394,466	408,878	
3,055,571	885,000	Capital Financing Proceeds	9,536,000	550,000	625,000	0	
0	0	Transfers In	0	0	0	0	
9,153,248	7,704,755	Total	16,548,380	8,136,331	8,861,650	8,935,612	
		Expenses					
		Public Utilities					
1,725,089	1,770,814	Personal Services	1,889,459	2,014,691	2,079,927	2,147,521	
3,653,109	2,193,673	Other Operating	2,605,397	2,420,309	2,539,240	2,622,571	
1,291,764	1,214,864	Allocations from Other Funds	1,251,308	1,288,847	1,327,515	1,367,330	
1,768,959	3,500,003	Capital	9,848,247	1,528,947	800,947	757,209	
1,669,087	1,686,446	Debt Retirement	1,554,485	2,205,295	2,275,722	2,320,310	
10,108,008	10,365,800	Sub-Total	17,148,896	9,458,089	9,023,351	9,214,941	
234,831	276,176	Transfers Out - Debt Service	246,093	240,614	244,249	243,036	
10,342,839	10,641,976	Total	17,394,989	9,698,703	9,267,600	9,457,977	
		Excess (Deficiency) of					
(1,189,591)	(2,937,221)	Revenues over Expenses	(846,609)	(1,562,372)	(405,950)	(522,365)	
32,358,628	31,138,048	Beginning Net Assets	28,200,827	27,354,218	25,791,846	25,385,896	
1,768,959	0	Fixed Assets Adjustments	0	0	0	0	
(1,799,948)	0	Debt Service Adjustments	0	0	0	0	
31,138,048	28,200,827	Ending Net Assets	27,354,218	25,791,846	25,385,896	24,863,531	

Shown below is a graph of the expenditures for the wastewater fund for budget year 12/13. The wastewater fund has outstanding debt in the amount of \$16,865,022. \$7,396,293 of this is on the EPA mandated projects. Rate increases are projected for each of the next four fiscal years.

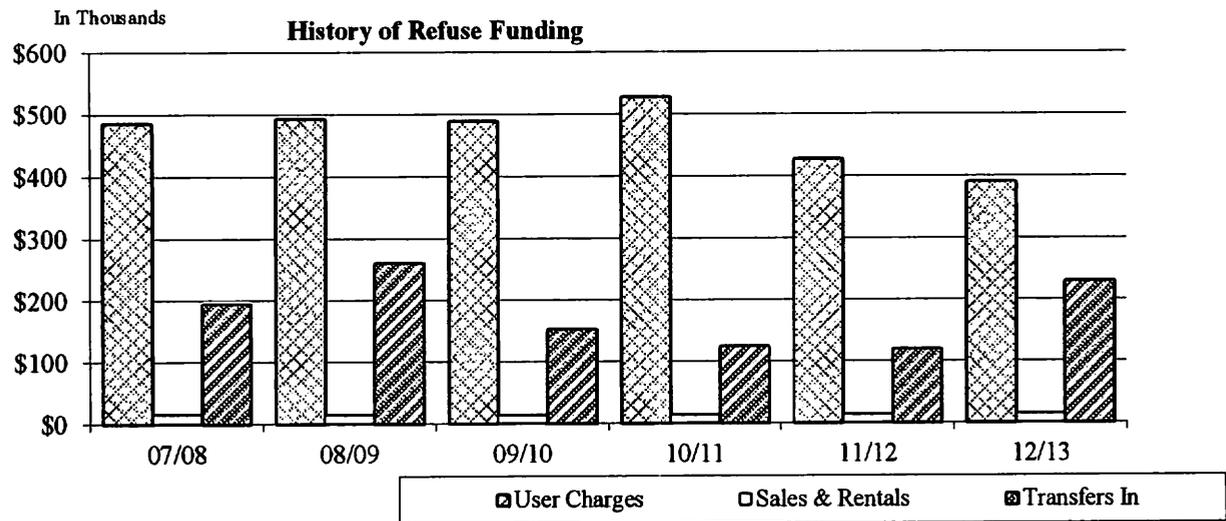


Refuse Fund - The refuse fund is an enterprise fund used to account for the City's refuse disposal program. The fund is supported through user charges, a portion of refuse bag sales, rental income and operating transfers from the general fund. Various programs are run through the refuse fund including brush pickup and leaf pickup. St. Charles encourages recycling.



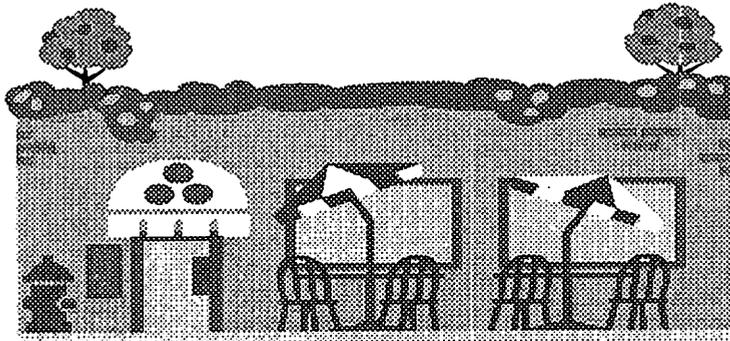
Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected		
			FY 13/14	FY 14/15	FY 15/16	
Revenues						
527,639	427,234	User Charges	390,364	401,895	413,772	426,005
589	813	Investment Income	1,200	1,236	1,236	1,273
5,080	5,080	Rental Income	5,080	5,080	5,080	5,236
14,197	13,248	Miscellaneous	9,850	10,050	10,550	10,550
125,000	120,000	Transfers In	230,000	129,000	130,000	133,900
672,505	566,375	Total	636,494	547,261	560,638	576,964
Expenses						
Public Health and Safety						
0	0	Personal Services	0	0	0	0
530,546	430,054	Other Operating	552,022	455,739	469,410	483,498
83,292	84,543	Allocations from Other Funds	87,081	89,694	92,386	95,164
0	0	Capital	0	0	0	0
613,838	514,597	Total	639,103	545,433	561,796	578,662
Excess (Deficiency) of Revenues over Expenses						
58,667	51,778		(2,609)	1,828	(1,158)	(1,698)
298,601	331,244	Beginning Net Assets	383,022	380,413	382,241	381,083
(26,024)	0	Fixed Assets Adjustments	0	0	0	0
331,244	383,022	Ending Net Assets	380,413	382,241	381,083	379,385

The refuse fund has been supported in past years from interfund transfers from the corporate fund. A refuse pickup fee was implemented in FY 98/99 for the brush pickup program. The spring cleanup program has been re-implemented for FY 12/13. The graphs below show the change in revenue sources over the last five years compared to the projected year.



TIF Districts -TIF funds were established to account for revitalization to downtown business districts and industrial areas of St. Charles. Included in this group is the Hotel Baker, Moline Foundry, St. Charles Mall, First Street Development and St. Charles Manufacturing.

Actual FY 10/11	Estimate FY 11/12		Proposed	Projected		
			FY 12/13	FY 13/14	FY 14/15	FY 15/16
Revenues						
159,992	171,093	Property Taxes - Hotel Baker TIF	169,287	165,901	166,731	170,065
376,863	436,991	Property Taxes - Moline TIF	432,512	423,862	425,981	434,501
172,575	185,051	Property Taxes - Mall TIF	183,129	179,467	180,364	183,971
409,776	607,333	Property Taxes - First Street TIF	612,287	634,066	656,389	679,270
196,354	213,765	Property Taxes - St. Charles Mfg. TIF	211,584	207,353	208,389	212,557
30,420	34,111	Sales & Use Taxes	35,376	36,082	36,985	38,002
51,755	64,256	Hotel Occupation Tax	64,110	64,912	65,723	66,545
12,007	528	Investment Income	4,744	4,768	4,793	4,816
1,409,742	1,713,128	Total	1,713,029	1,716,411	1,745,355	1,789,727
Expenditures						
Transfers						
321,293	341,503	Transfers Out - Hotel Baker TIF	355,252	312,335	270,620	275,800
341,154	329,638	Transfers Out - Moline TIF	339,338	336,156	334,388	341,776
227,945	181,450	Transfers Out - Mall TIF	183,207	179,544	180,442	184,050
1,139,373	1,139,373	Transfers Out - First Street TIF	717,827	637,336	659,674	682,573
345,400	213,981	Transfers Out - St. Charles Mfg. TIF	211,632	207,401	208,438	212,606
2,375,165	2,205,945	Total	1,807,256	1,672,772	1,653,562	1,696,805
Excess (Deficiency) of						
(965,423)	(492,817)	Revenues over Expenditures	(94,227)	43,639	91,793	92,922
(915,855)	(1,881,278)	Beginning Fund Balance	(2,374,095)	(2,468,322)	(2,424,683)	(2,332,890)
(1,881,278)	(2,374,095)	Ending Fund Balance	(2,468,322)	(2,424,683)	(2,332,890)	(2,239,968)

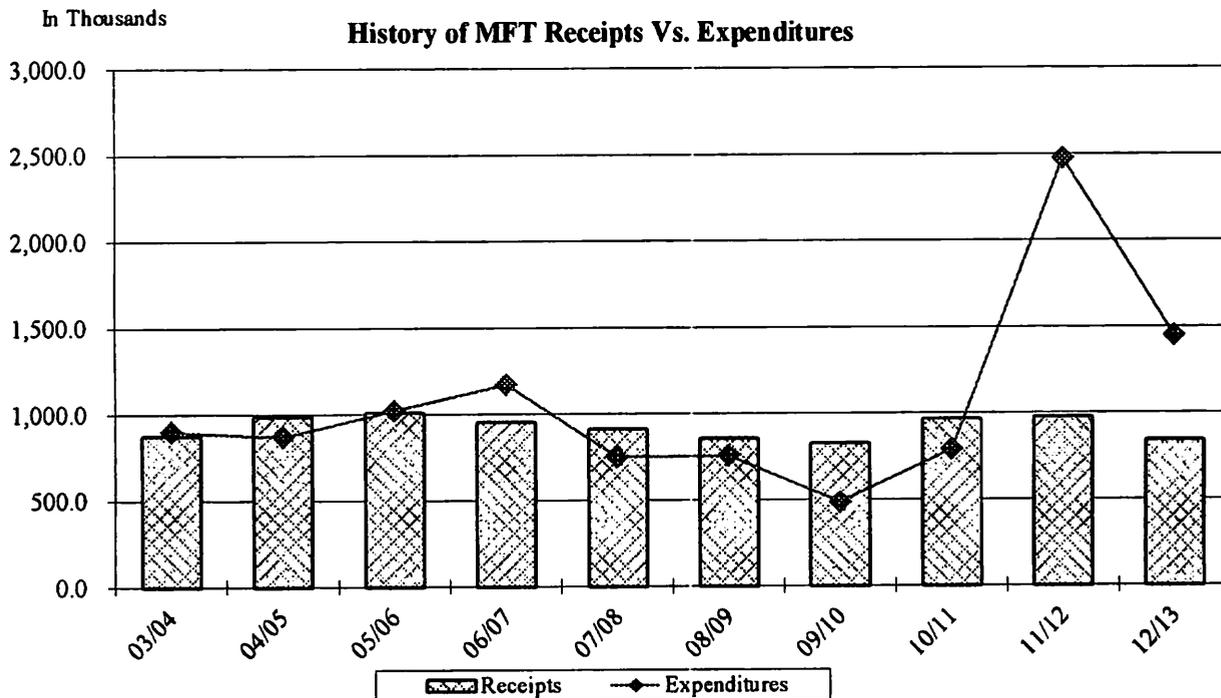


At this time the City has established five TIF districts for the Hotel Baker, the Moline Foundry, the St. Charles Mall, the First Street Development and St. Charles Manufacturing. A TIF - Tax Increment Financing District -is established to encourage redevelopment of a deteriorating area. The City has issued bonds and improved the infrastructure in these areas. Property tax collections from the TIF are utilized to make principal and interest payments on these bonds.

Motor Fuel Tax Fund - This fund was set up to underwrite the cost of major street and bridge improvements. These improvements are subject to approval by the State of Illinois. Some of these projects are reimbursed by the State. Revenue sources in this fund are state grants and the portion of motor fuel tax that the City receives from the state. This money is based on per capita data from an official census.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected		
				FY 13/14	FY 14/15	FY 15/16
Revenues						
968,906	979,575	Motor Fuel Tax	842,677	867,957	893,996	920,816
26,252	2,582	Investment Income	0	0	0	0
995,158	982,157	Total	842,677	867,957	893,996	920,816
Expenditures						
Public Works						
790,475	910,932	Capital	1,449,960	1,478,108	1,478,108	966,408
790,475	910,932	Total	1,449,960	1,478,108	1,478,108	966,408
Excess (Deficiency) of						
204,683	71,225	Revenues over Expenditures	(607,283)	(610,151)	(584,112)	(45,592)
2,435,370	2,640,053	Beginning Fund Balance	2,711,278	2,103,995	1,493,844	909,732
2,640,053	2,711,278	Ending Fund Balance	2,103,995	1,493,844	909,732	864,140

The amount of motor fuel tax distributed is based on a per capita amount determined by the state. The amount per capita has grown from \$14.45 in 1984 to \$24.10 projected for FY 12-13. This revenue stream is also influenced by overall gasoline consumption in the state.



Police Pension Fund - This fund provides for retirement and disability payments for St. Charles police officers. Funding comes from investment income, property taxes and employee contributions. The amount that the City contributes is determined by an annual independent actuarial study.

<u>Actual</u> <u>FY 10/11</u>	<u>Estimate</u> <u>FY 11/12</u>		<u>Proposed</u> <u>FY 12/13</u>	<u>Projected</u>		
				<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
		Revenues				
2,554,959	600,000	Investment Income	686,500	707,095	728,308	750,157
1,556,109	1,356,538	Contributions from City	1,231,413	1,256,041	1,318,844	1,384,785
409,842	422,137	Contributions from Members	432,000	444,960	458,309	472,058
4,520,910	2,378,675	Total	2,349,913	2,408,096	2,505,461	2,607,000
		Expenses				
		Public Health and Safety				
1,722,973	1,740,203	Personal Services	1,769,000	1,822,040	1,876,671	1,932,941
189,902	195,599	Other Operating	220,500	227,115	233,929	240,946
1,912,875	1,935,802	Total	1,989,500	2,049,155	2,110,600	2,173,887
2,608,035	442,873	Excess (Deficiency) of Revenues over Expenses	360,413	358,941	394,861	433,113
23,519,175	26,127,210	Beginning Fund Balance Reserved for Retirement Obligations	26,570,083	26,930,496	27,289,437	27,684,298
26,127,210	26,570,083	Ending Fund Balance Reserved for Retirement Obligations	26,930,496	27,289,437	27,684,298	28,117,411

The following table is an analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation. As of January 1, 2001 employees contribute 9.91% of their base salary to the plan. The City has historically financed the plan as actuarially determined by an enrolled actuary. The City levies property taxes to fund this obligation. In accordance with GASB 27, the taxes are collected in the City's general fund and are then shown as an expense in the general fund with a corresponding revenue in the pension fund.

**Analysis of Police Pension
Funding Progress**

Actuarial Valuation Date <u>April 30,</u>	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
2006	\$ 21,049,102	\$ 31,498,568	66.83%	\$ 10,449,466	\$ 3,740,985	279.32%
2007	23,064,224	34,460,854	66.93%	11,396,630	3,992,817	285.43%
2008	23,161,216	35,954,632	64.42%	12,793,416	4,196,313	304.87%
2009	20,229,933	37,767,555	53.56%	17,537,622	4,359,694	402.27%
2010	23,519,175	38,049,970	61.81%	14,530,795	4,048,323	358.93%
2011	26,127,210	40,279,564	64.86%	14,152,354	4,212,817	335.94%

Fire Pension Fund - This fund provides for retirement and disability payments for St. Charles Firefighters. Funding comes from investment income, property taxes and employee contributions. The amount that the City levies is determined by an annual independent actuarial study.

<u>Actual</u> FY 10/11	<u>Estimate</u> FY 11/12		<u>Proposed</u> FY 12/13	<u>Projected</u>		
				FY 13/14	FY 14/15	FY 15/16
		Revenues				
2,883,359	600,000	Investment Income	576,000	593,280	611,079	629,411
1,236,673	1,089,643	Contributions from City	991,067	1,010,889	1,061,433	1,114,504
406,554	411,441	Contributions from Members	435,664	448,584	461,892	475,599
4,526,586	2,101,084	Total	2,002,731	2,052,753	2,134,404	2,219,514
		Expenses				
		Public Health and Safety				
712,902	815,742	Personal Services	871,560	897,596	924,413	952,034
174,213	167,293	Other Operating	172,000	177,160	182,476	187,949
887,115	983,035	Total	1,043,560	1,074,756	1,106,889	1,139,983
		Excess (Deficiency) of				
3,639,471	1,118,049	Revenues over Expenses	959,171	977,997	1,027,515	1,079,531
		Beginning Fund Balance Reserved for Retirement Obligations	27,236,344	28,195,515	29,173,512	30,201,027
22,478,824	26,118,295	Ending Fund Balance Reserved for Retirement Obligations	28,195,515	29,173,512	30,201,027	31,280,558
26,118,295	27,236,344					

The following table is an analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension obligation. As of July 1, 2004 employees contribute 9.455% of their base salary to the plan. The City has historically financed the plan as actuarially determined by an enrolled actuary. The City levies property taxes to fund this obligation. In accordance with GASB 27, the taxes are collected in the City's general fund and are then shown as an expense in the general fund with a corresponding revenue in the pension fund.

**Analysis of Fire Pension
Funding Progress**

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2006	\$ 16,142,671	\$ 18,801,665	85.86%	\$ 2,658,994	\$ 3,704,516	71.78%
2007	18,513,335	21,119,695	87.66%	2,606,360	3,798,607	68.61%
2008	19,935,936	24,126,380	82.63%	4,190,444	4,325,654	96.87%
2009	18,461,621	26,293,219	70.21%	7,831,598	4,260,854	183.80%
2010	22,478,824	28,088,702	80.03%	5,609,878	4,080,399	137.48%
2011	26,118,295	30,718,257	85.03%	4,599,962	4,237,873	108.54%

Capital Project Funds - These funds account for all resources used for the acquisition and/or construction of capital equipment and facilities by the City, except those financed by enterprise or internal service funds.

Red Gate Bridge Capital Project - It is anticipated that construction of the bridge will start in FY 2011/12. Construction will be financed through state and federal grants and a bond issue supported by a 5 cent property tax.

Actual FY 10/11	Estimate FY 11/12		Proposed	Projected		
			FY 12/13	FY 13/14	FY 14/15	FY 15/16
		Revenues				
169,875	10,041,418	Intergovernmental Revenue	0	0	0	0
79,346	14,307	Investment Income	0	0	0	0
0	1,000	Miscellaneous Revenue	0	0	0	0
0	0	Capital Financing Proceeds	4,210,944	0	0	0
820,600	768,802	Transfers In - Property Tax	739,416	724,628	728,251	742,816
1,069,821	10,825,527	Total	4,950,360	724,628	728,251	742,816
		Expenditures				
		Public Works				
84,003	501,879	Other Operating	200,000	0	0	0
487,357	14,518,257	Capital	7,425,675	0	0	0
571,360	15,020,136	Sub-Total	7,625,675	0	0	0
0	0	Transfers Out - Debt Service	0	367,909	367,909	367,909
571,360	15,020,136	Total	7,625,675	367,909	367,909	367,909
		Excess (Deficiency) of				
498,461	(4,194,609)	Revenue over Expenditures	(2,675,315)	356,719	360,342	374,907
6,367,013	6,865,474	Beginning Fund Balance	2,670,865	(4,450)	352,269	712,611
6,865,474	2,670,865	Ending Fund Balance	(4,450)	352,269	712,611	1,087,518

Engineering Capital Projects - To account for various engineering projects that were previously budgeted through the General Fund, such as road projects, traffic signal construction, the riverwalk and landscaping.

Actual FY 10/11	Estimate FY 11/12		Proposed	Projected		
			FY 12/13	FY 13/14	FY 14/15	FY 15/16
		Revenues				
90,000	803,421	Intergovernmental Revenue	142,500	99,000	652,550	0
55	4,475	Investment Income	0	0	0	0
0	0	Reimbursements for Improvements	0	30,000	0	0
131,013	885,402	Miscellaneous Revenue	0	0	0	0
0	3,999,780	Capital Financing Proceeds	3,659,000	3,628,000	1,268,266	0
1,277,839	281,208	Transfers In	965,200	1,071,000	1,120,500	755,000
1,498,907	5,974,286	Total	4,766,700	4,828,000	3,041,316	755,000
		Expenditures				
		General Government				
0	785,000	Capital	0	0	0	0
0	785,000	Sub-Total	0	0	0	0
		Public Health & Safety				
0	0	Other Operating	0	0	0	0
0	125,000	Capital	180,000	49,500	215,500	190,000
0	125,000	Sub-Total	180,000	49,500	215,500	190,000
		Public Works				
266	51,262	Other Operating	0	0	0	0
727,427	5,543,479	Capital	2,700,700	5,650,500	3,839,816	565,000
727,693	5,594,741	Sub-Total	2,700,700	5,650,500	3,839,816	565,000
727,693	6,504,741	Total	2,880,700	5,700,000	4,055,316	755,000
		Excess (Deficiency) of				
771,214	(530,455)	Revenue over Expenditures	1,886,000	(872,000)	(1,014,000)	0
0	771,214	Beginning Fund Balance	240,759	2,126,759	1,254,759	240,759
771,214	240,759	Ending Fund Balance	2,126,759	1,254,759	240,759	240,759

First Street (TIF 4) Capital Project - First Street is a multi-use development consisting of residential, commercial and retail, as well as two parking garages. The first parking deck and a mixed use building opened in FY 08-09. Future Development phases have been delayed due to economic conditions. The City anticipates that construction will resume in the near future.

<u>Actual</u> <u>FY 10/11</u>	<u>Estimate</u> <u>FY 11/12</u>		<u>Proposed</u> <u>FY 12/13</u>	<u>Projected</u>		
				<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
		Revenues				
25,372	27,138	Investment Income	0	0	0	0
25,372	27,138	Total	0	0	0	0
		Expenditures				
		Public Works				
18,920	113,596	Other Operating	391,033	74,000	0	0
23,383	13,000	Capital	3,254,659	3,027,874	0	0
42,303	126,596	Total	3,645,692	3,101,874	0	0
		Excess (Deficiency) of				
(16,931)	(99,458)	Revenue over Expenditures	(3,645,692)	(3,101,874)	0	0
7,605,947	7,589,016	Beginning Fund Balance	7,489,558	3,843,866	741,992	741,992
7,589,016	7,489,558	Ending Fund Balance	3,843,866	741,992	741,992	741,992

Public Works Garage Capital Project - The garage renovation project was completed in FY 07-08. Residual funds will be used for debt payments during FY 11-12 and FY 12-13.

<u>Actual</u> <u>FY 10/11</u>	<u>Estimate</u> <u>FY 11/12</u>		<u>Proposed</u> <u>FY 12/13</u>	<u>Projected</u>		
				<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
		Revenues				
3,077	1,430	Investment Income	0	0	0	0
3,077	1,430	Total	0	0	0	0
		Expenditures				
0	500,000	Transfers Out	550,000	0	0	0
0	500,000	Total	550,000	0	0	0
		Excess (Deficiency) of				
3,077	(498,570)	Revenue over Expenditures	(550,000)	0	0	0
1,045,493	1,048,570	Beginning Fund Balance	550,000	0	0	0
1,048,570	550,000	Ending Fund Balance	0	0	0	0

Debt Service Funds -Debt service funds are used to account for the payment of principal and interest on general obligation debts other than that payable from special assessments and debt issued for and serviced by a governmental enterprise. The increased need for financing is due in part to major city renovations and a desire to revitalize certain areas of the City.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected FY 13/14	Projected FY 14/15	Projected FY 15/16
		Revenues				
783,167	826,119	Sales & Use Taxes	721,000	739,025	757,501	780,218
114	87	Investment Income	0	0	0	0
6,442,846	6,474,737	Financing Proceeds/Refunded Debt	0	0	0	0
7,036,715	6,962,453	Transfers In	7,575,139	8,371,651	8,563,581	8,614,190
14,262,842	14,263,396	Total	8,296,139	9,110,676	9,321,082	9,394,408
		Expenditures				
		General Government				
82,937	0	Other Operating	0	0	0	0
14,050,657	14,241,482	Debt Retirement/Refunded	8,496,661	9,310,933	9,522,843	9,590,307
14,133,594	14,241,482	Total	8,496,661	9,310,933	9,522,843	9,590,307
129,248	21,914	Excess (Deficiency) of Revenues over Expenditure	(200,522)	(200,257)	(201,761)	(195,899)
1,633,070	1,762,318	Beginning Fund Balance Reserved for Debt Service	1,784,232	1,583,710	1,383,453	1,181,692
1,762,318	1,784,232	Ending Fund Balance Reserved for Debt Service	1,583,710	1,383,453	1,181,692	985,793

Internal Service Funds (ISF) - The remaining funds to follow are called Internal Service Funds. These are used to finance and account for services and/or commodities furnished by a designated fund or department to other funds or departments within the city.

ISF - Inventory - This fund is used to account for the acquisition of materials and supplies inventory that is provided to the various city funds on a cost reimbursement basis. The City has a centralized inventory of approximately \$3 million administered by the Finance Department.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected FY 13/14	Projected FY 14/15	Projected FY 15/16
		Revenues				
2,680,871	3,281,163	Items for Resale	2,900,781	2,987,804	3,077,438	3,169,765
(512)	(380)	Investment Income	0	0	0	0
25,143	29,749	Miscellaneous Revenue	26,815	35,084	36,194	37,337
1,057,609	869,770	Charges to Other Funds	931,935	971,833	1,013,250	1,045,408
3,763,111	4,180,302	Total	3,859,531	3,994,721	4,126,882	4,252,510
		Expenses				
		General Government				
485,139	496,076	Personal Services	451,098	472,372	488,003	503,963
2,768,732	3,166,339	Other Operating	3,009,382	3,099,529	3,192,689	3,288,303
406,380	360,370	Allocations from Other Funds	371,181	382,317	393,786	405,601
3,827	3,741	Capital	4,167	4,167	4,167	4,167
3,664,078	4,026,526	Total	3,835,828	3,958,385	4,078,645	4,202,034
99,033	153,776	Excess (Deficiency) of Revenues over Expenses	23,703	36,336	48,237	50,476
2,850,323	2,949,356	Beginning Net Assets	3,103,132	3,126,835	3,163,171	3,211,408
0	0	Fixed Assets Adjustments	0	0	0	0
2,949,356	3,103,132	Ending Net Assets	3,126,835	3,163,171	3,211,408	3,261,884

ISF - Vehicles - This fund is used to account for the replacement of motor vehicles in the general fund. The general fund pays for the use and depreciation of the vehicles owned on an annual basis and when the vehicle needs to be replaced it is purchased from this fund. This fund also includes the fleet management department. Their services are charged back to the respective fund or department using their services.

<u>Actual</u> <u>FY 10/11</u>	<u>Estimate</u> <u>FY 11/12</u>		<u>Proposed</u> <u>FY 12/13</u>	<u>Projected</u>		
				<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>
		Revenues				
706,058	1,056,412	Vehicle Replacement	1,097,339	1,152,205	1,209,815	1,270,307
22,860	5,218	Investment Income	8,240	8,487	8,742	9,006
1,867,303	1,681,427	Charges to Other Funds	1,908,106	1,953,925	2,020,640	2,091,846
52,343	139,740	Sale of Fixed Assets	0	0	0	0
853,723	81,448	Miscellaneous	34,208	50,396	51,774	53,193
0	45,900	Transfers In	0	0	0	0
3,502,287	3,010,145	Total	3,047,893	3,165,013	3,290,971	3,424,352
		Expenses				
		Public Health and Safety				
182,847	272,446	Capital	336,969	269,000	201,000	591,880
182,847	272,446	Sub-Total	336,969	269,000	201,000	591,880
		Public Works				
695,995	709,957	Personal Services	748,501	789,033	814,695	841,209
522,732	517,235	Other Operating	595,558	661,996	682,950	703,236
391,464	367,055	Allocations from Other Funds	378,068	389,409	401,091	413,122
556,686	434,288	Capital	79,012	60,012	588,512	4,012
2,166,877	2,028,535	Sub-Total	1,801,139	1,900,450	2,487,248	1,961,579
		Community Development				
21,647	0	Capital	24,000	22,000	0	0
21,647	0	Sub-Total	24,000	22,000	0	0
3,631	41,262	Transfers Out - Debt Service	0	0	0	0
2,375,002	2,342,243	Total	2,162,108	2,191,450	2,688,248	2,553,459
1,127,285	667,902	Excess (Deficiency) of Revenues over Expenses	885,785	973,563	602,723	870,893
5,491,130	6,677,926	Beginning Net Assets	7,345,828	8,231,613	9,205,176	9,807,899
59,511	0	Fixed Asset Adjustments	0	0	0	0
6,677,926	7,345,828	Ending Net Assets	8,231,613	9,205,176	9,807,899	10,678,792



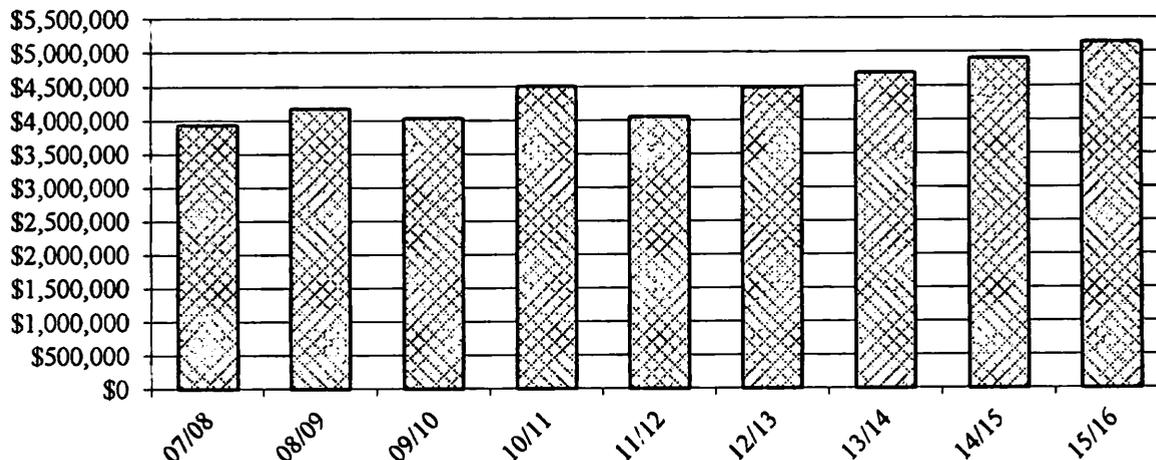
ISF - Health Insurance - The City is self-insured and this fund accounts for the activity of the City's health insurance costs for all funds. Individual funds and departments are charged based on their employee counts.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected FY 13/14	Projected FY 14/15	Projected FY 15/16
		Revenues				
16,632	1,818	Investment Income	3,000	3,000	3,000	3,000
4,263,382	4,785,540	Insurance Premiums	4,932,208	4,897,131	5,004,222	5,099,530
21,014	40	Miscellaneous	200	200	200	200
4,301,028	4,787,398	Total	4,935,408	4,900,331	5,007,422	5,102,730
		Expenses				
		General Government				
4,502,146	4,059,704	Other Operating	4,484,858	4,695,519	4,916,507	5,148,393
95,484	97,122	Allocations from Other Funds	100,036	103,037	106,128	109,308
4,597,630	4,156,826	Sub-Total	4,584,894	4,798,556	5,022,635	5,257,701
0	0	Transfers Out - Other	250,000	0	0	0
4,597,630	4,156,826	Total	4,834,894	4,798,556	5,022,635	5,257,701
		Excess(Deficiency)of				
(296,602)	630,572	Revenues over Expenses	100,514	101,775	(15,213)	(154,971)
1,221,820	925,218	Beginning Net Assets	1,555,790	1,656,304	1,758,079	1,742,866
925,218	1,555,790	Ending Net Assets	1,656,304	1,758,079	1,742,866	1,587,895

As the chart below shows the City's insurance costs have risen considerably over past years. These costs include insurance claims and premiums for excess insurance. In order to defray some costs, the City started sharing the cost of family coverage with employees in 1992. A cafeteria plan was implemented that allows the employee to pay their portion of the premium pre-tax. Starting in 1995 the City also implemented a healthy program which encourages good health and a healthful lifestyle. Those who meet certain health criteria such as low blood pressure or cholesterol levels are offered discounted family coverage. A rebate is given for those with single coverage because single coverage is still offered at no cost to the employee. In FY 12/13, the City will still offer a care plan to City employees at no charge. In addition they have the option to purchase a plan with a lower deductible. Tobacco and non-tobacco users will also have different base premium rates.



History and Projection of Health Insurance Funding

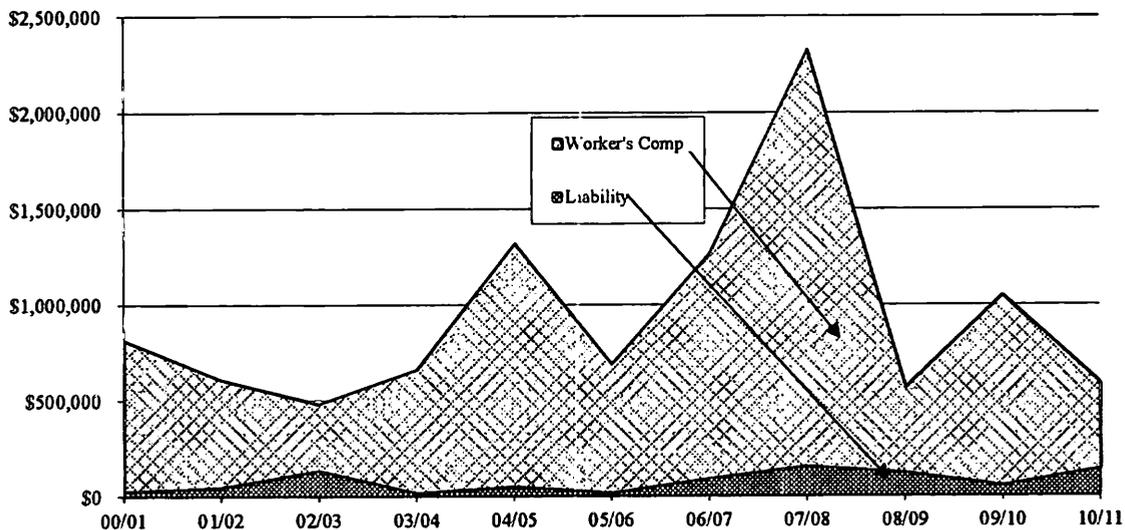


ISF - Workers Compensation/Liability - This fund accounts for the self-insurance activity related to workers compensation insurance and liability insurance for property, casualty and crime for governmental service funds. All enterprise activity is accounted for in the appropriate proprietary fund.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	Projected FY 13/14	Projected FY 14/15	Projected FY 15/16
Revenues						
8,342	9,765	Investment Income	5,253	5,411	5,573	5,741
1,140,680	1,106,010	Insurance Premiums	1,125,192	1,585,494	1,632,912	1,681,787
1,051	3,330	Miscellaneous	0	0	0	0
309,530	155,000	Transfers In	169,300	178,879	188,745	194,407
1,459,603	1,274,105	Total	1,299,745	1,769,784	1,827,230	1,881,935
Expenses						
General Government						
427,513	503,892	Other Operating	509,850	525,146	540,900	557,136
9,264	9,524	Allocations from Other Funds	9,810	10,104	10,407	10,719
436,777	513,416	Sub-Total	519,660	535,250	551,307	567,855
Public Health and Safety						
530,018	586,462	Other Operating	525,300	541,060	557,292	574,020
530,018	586,462	Sub-Total	525,300	541,060	557,292	574,020
Public Works						
237,045	196,913	Other Operating	195,700	201,572	207,619	213,848
237,045	196,913	Sub-Total	195,700	201,572	207,619	213,848
Community Development						
44,667	2,801	Other Operating	0	0	0	0
44,667	2,801	Sub-Total	0	0	0	0
1,248,507	1,299,592	Total	1,240,660	1,277,882	1,316,218	1,355,723
Excess(Deficiency)of						
211,096	(25,487)	Revenues over Expenses	59,085	491,902	511,012	526,212
529,470	740,566	Beginning Net Assets	715,079	774,164	1,266,066	1,777,078
740,566	715,079	Ending Net Assets	774,164	1,266,066	1,777,078	2,303,290

The data displayed in the graph below shows the relationship between workers compensation claims and general liability claims. This information was provided to us by our insurance company. The totals for each year may not match the actual dollars paid out in that year due to the fact that they put the payout in the year the claim occurred not the year paid. This graph also depicts total insurance claims including enterprise funds accounted for in proprietary accounts.

History of Workers Compensation and Liability Insurance

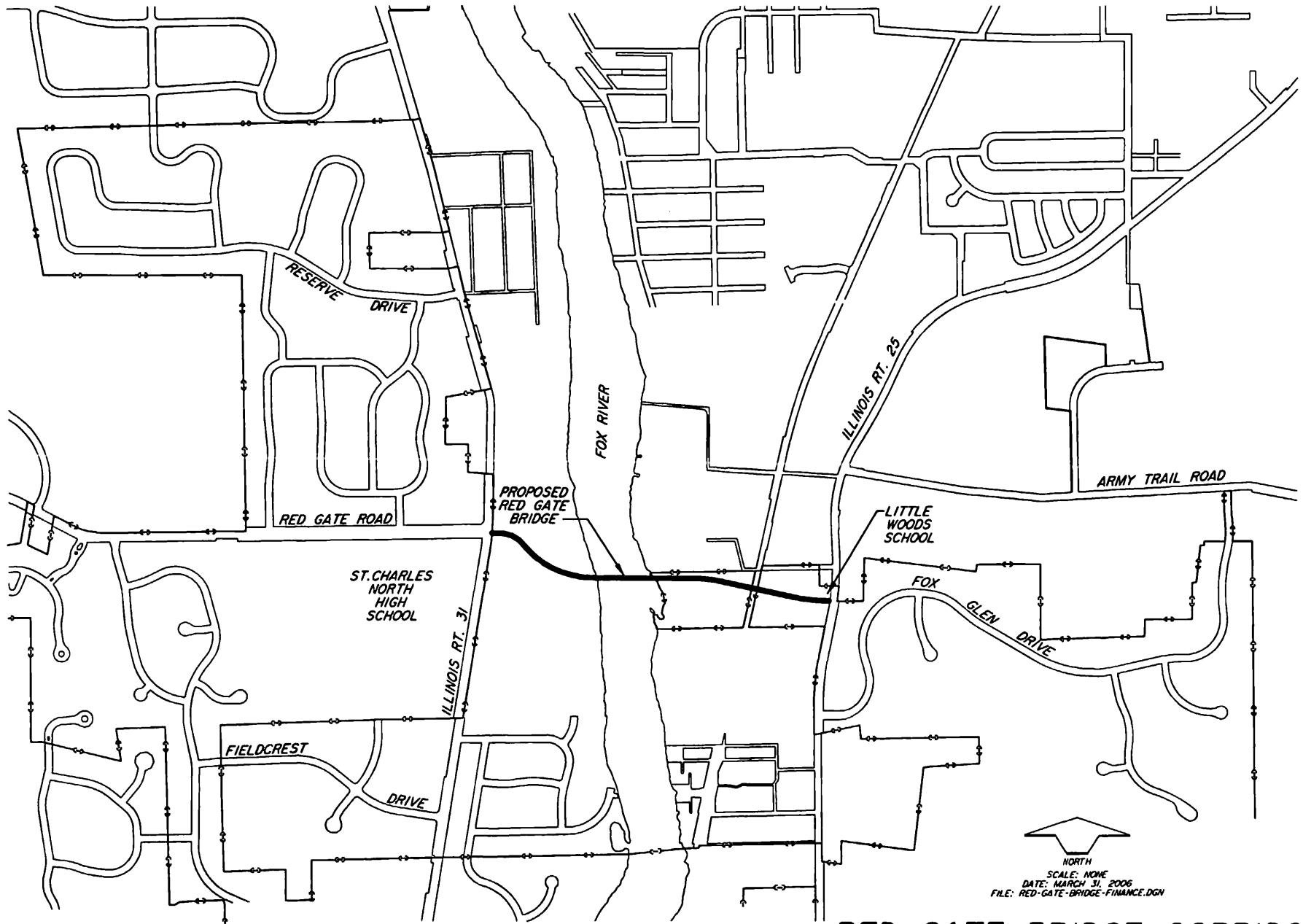


ISF - Communications - The Communications Utility operates our fiber system and other communications equipment to provide services to all city departments. These services are reimbursed by means of the internal service fund transfer. The services provided to all users include the telephone hook ups and Wide Area Network computer connections. Services provided to select user groups are things like the corby door/gate opening systems, communication connectivity for SCADA equipment, security camera installations, public works radio system, and cable TV installations. Computer and copier replacements for corporate are now accounted for in the Communications Fund.

Actual FY 10/11	Estimate FY 11/12		Proposed FY 12/13	-----Projected-----		
				FY 13/14	FY 14/15	FY 15/16
		Revenues				
269,609	238,855	User Charges	274,965	243,352	225,633	250,802
1,665	975	Investment Income	1,545	1,591	1,639	1,687
181,931	204,555	Charges to Other Funds	204,388	209,231	209,523	209,466
1,077	0	Miscellaneous Revenue	0	0	0	0
454,282	444,385	Total	480,898	454,174	436,795	461,955
		Expenses				
		General Government				
31,695	0	Other Operating	0	0	0	0
49,522	304,589	Capital	143,386	176,386	164,386	157,386
81,217	304,589	Sub-Total	143,386	176,386	164,386	157,386
		Public Utilities				
120,213	110,548	Personal Services	186,803	195,631	200,066	199,864
60,907	73,050	Other Operating	90,052	92,729	95,362	97,922
12,660	11,763	Allocations from Other Funds	12,116	12,479	12,854	13,245
7,339	54,856	Capital	39,773	36,533	16,783	43,983
201,119	250,217	Sub-Total	328,744	337,372	325,065	355,014
0	61,664	Transfers Out - Other	61,664	61,664	61,664	61,664
282,336	616,470	Total	533,794	575,422	551,115	574,064
		Excess(Deficiency)of				
171,946	(172,085)	Revenues over Expenses	(52,896)	(121,248)	(114,320)	(112,109)
620,356	768,563	Beginning Net Assets	596,478	543,582	422,334	308,014
(23,739)	0	Fixed Asset Adjustments	0	0	0	0
768,563	596,478	Ending Net Assets	543,582	422,334	308,014	195,905

Capital Improvements Plan

<u>Capital Improvements - Project Requests</u>	<u>VI - 3</u>
<u>Capital Improvements Detail</u>	<u>VI - 13</u>



NORTH
SCALE: NONE
DATE: MARCH 31, 2006
FILE: RED-GATE-BRIDGE-FINANCE.DGN

RED GATE BRIDGE CORRIDOR

Project Request
FY 12-13

Project Name *Red Gate Road Bridge*

Estimated Total Cost of Project

\$21,024,826 (Low Construction Bid Number)
--

Project Description

1. Location

Red Gate Road extended Easterly from IL Route 31 to IL Route 25.

2. Work to be Performed

Two (2)-lane bridge construction and adjoining roadway with bike/pedestrian accommodations.

3. Reason for Work

The City of St. Charles initiated the Phase One (I) Engineering Study in 2005. This study was completed in 2010 and was funded under an agreement with IDOT. Phase II design engineering was begun in fall of 2010 and was completed in 2011 (Further, IDOT has included \$6,000,000 in their Multiyear Plan for intersection improvements at Red Gate Road and IL Route 31 and proposed Red Gate Road and IL Route 25.) The project is expected to be constructed in two phases. The first phase of construction was released for bidding in late spring of 2011 and will focus primarily on mass grading, clearing, and tree removals. The first phase was completed in March 2011. The second phase of construction was released for bidding in December 2011 and will involve the construction of the new bridge, roadway, watermain extension, bike path, and final restoration. The contract was awarded by IDOT in March 2011. The new bridge and roadway is expected to be open to the public by December 1, 2012 with the completion of all restoration in the spring/summer of 2013. The project purpose and need will 1) reduce the 2030 Average Daily Traffic (ADT) by 10% in downtown St. Charles, 2) improve emergency service access (police, fire, and emergency medical) due to the addition of a Bridge Over the Fox River between South Elgin and St. Charles, and 3) provide for another connection between the east and west sides of the developing Kane County urban corridor along the Fox River.

4. Impact on Budget

(Discussion of recurring costs, savings that will be realized, benefit to the city & citizens)

The funds to complete the project are estimated to include a total of \$14,023,025 in State and Federal grants.

Project Request
FY 12-13

Project Name *IL 64 Roadway Improvements
(7th Ave. to Dunham Rd.)*

Estimated Total Cost of Project

\$837,735 (Low Construction Bid Number)

Project Description

1. Location

IDOT Project Limits: IL Route 64 from 7th Avenue to Dunham Road

2. Work to be Performed

Roadway widening and resurfacing, water main installation, storm sewer upgrades, traffic signal improvements, public sidewalk installation.

3. Reason for Work

The Illinois Department of Transportation (IDOT) will be performing roadway and utility improvements along the IL Route 64 corridor between 7th Avenue to Dunham Road. The City will be contributing to this project as it relates to the installation of a new 12-inch watermain, sidewalk enhancements, electrical improvements, sanitary service upgrades, road intersections to include signal interconnection, highway lighting. All work being performed is considered general maintenance for IDOT. The construction project is expected to be completed by the fall of 2013.

4. Impact on Budget

(Discussion of recurring costs, savings that will be realized, benefit to the city & citizens)

Per the approved IDOT agreement the City will be obligated to repay total expenses over the next three years estimated annually at the above amount.

Project Request
FY 12-13

Project Name *IL 64 Roadway Improvements
(Dunham Rd. to IL 59)*

Estimated Total Cost of Project

\$597,581 (Low Construction Bid Number)

Project Description

1. Location

IDOT Project Limits: IL Route 64 from Dunham Road to IL 59

2. Work to be Performed

Roadway widening and resurfacing, water main installation, storm sewer upgrades, traffic signal improvements, public sidewalk installation.

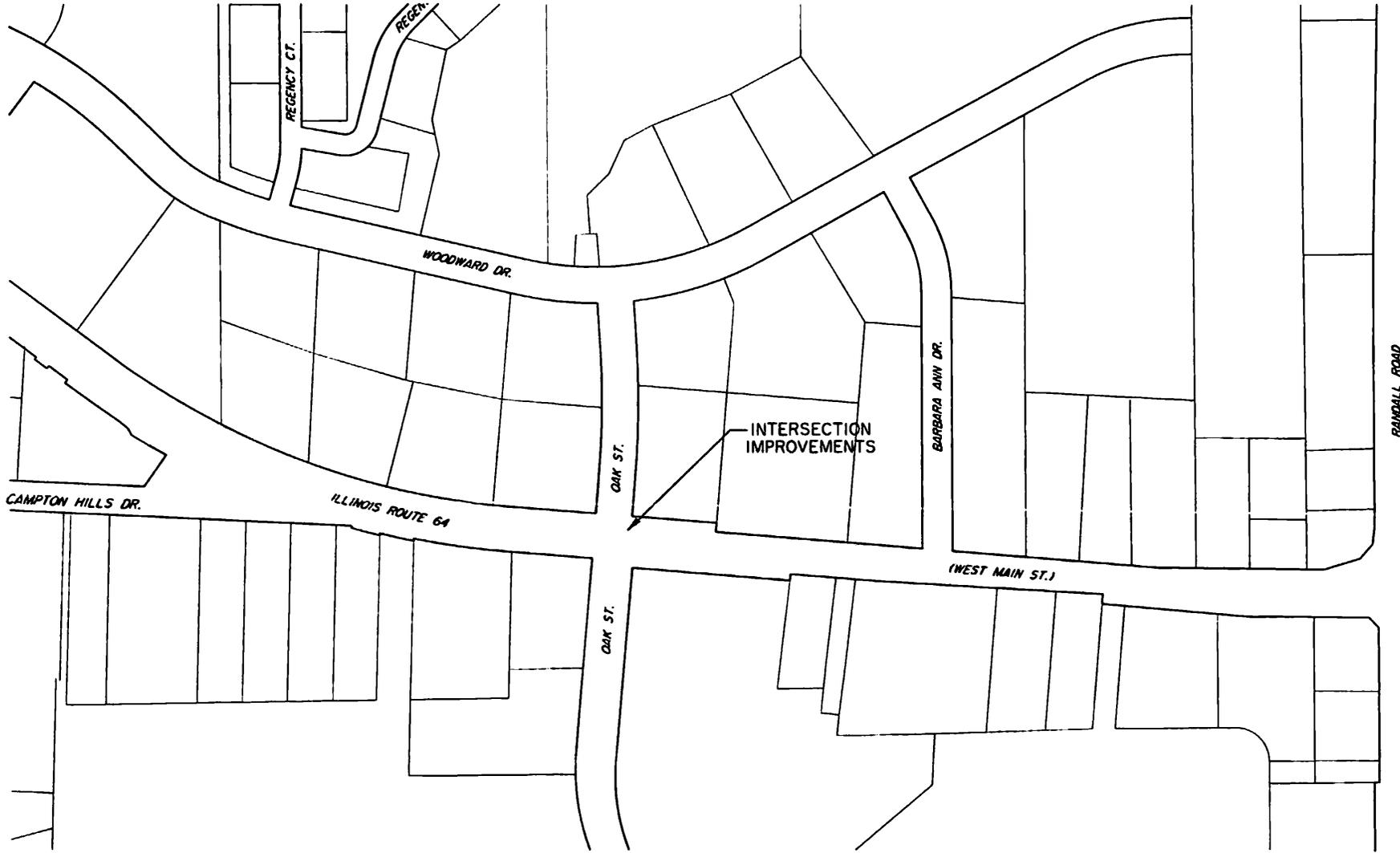
3. Reason for Work

The Illinois Department of Transportation (IDOT) will be performing roadway and utility improvements along the IL Route 64 corridor between Dunham Road and IL 59. The City will be contributing to this project as it relates to the installation of a two sections of new 12-inch watermain, sidewalk enhancements, electrical improvements, road intersections to include signal interconnection, highway lighting. All work being performed is considered general maintenance for IDOT. The construction project is expected to be completed by the fall of 2013.

4. Impact on Budget

(Discussion of recurring costs, savings that will be realized, benefit to the city & citizens)

Per the approved IDOT agreement the City will be obligated to repay total expenses over the next three years estimated annually at the above amount.



ILLINOIS ROUTE 64 & OAK STREET
INTERSECTION IMPROVEMENTS



NORTH

SCALE: NONE
DATE: MARCH 18, 2011

Project Request
FY 12-13

Project Name *IL 64 and Oak Street Intersection Improvement*

Estimated Total Cost of Project

\$1,354,285 (Low Construction Bid Number)

Project Description

1. Location

Total project limits extend from Intersection of IL 64 and Campton Hills Drive to west of Randall Rd.

2. Work to be Performed

Widen the roadway at the intersection of IL 64 and Oak intersection, installation of new traffic signals with pedestrian countdown, and upgrading of existing utilities.

3. Reason for Work

This project will be a local let contract to improve the safety and conveyance of both vehicular and pedestrian traffic at the intersection of IL 64 and Oak Street. The current roadway configuration west of Randall Road merges two lanes of traffic just prior to this intersection making it difficult for vehicular movements to exist onto IL 64. This project includes the widening of the intersection which will be extended back to the east to Barbara Ann Dr. and extend through to Campton Hills Dr. In addition the deceleration turn lanes will be extended for both west-bound and east-bound traffic to allow for additional capacity. The new traffic signals will help to improve the conveyance of vehicular and pedestrian traffic seeking to enter or cross IL 64. Construction plans, specifications, and permitting was completed in September 2011. Due to various delays in land acquisition. the City delayed the commencement of construction until April 2012. Work is expected to be completed by early July 2012.

4. Impact on Budget

(Discussion of recurring costs, savings that will be realized, benefit to the city & citizens)

The improvements to this intersection combined with the most recent modifications to the Randall Road/IL 64 intersection will help to improve access to businesses along this corridor and improve the overall safety the pedestrians crossing IL 64 at this location.

Project Request
FY 12/13

Project Name *Red Gate Road Electric Duct*

Estimated Total Cost of Project

\$800,000

Project Description

1. Location

Red Gate Road from Route 31 to Route 25 , including installation on the to be constructed Bridge.

2. Work to be Performed

Install conduit that will link our circuit on Rt. 31 (Circuit 224) with our circuit on Rt. 25 (Circuit 314). This includes duct in the ground and duct suspended under the bridge. The work will be done by McHugh as part of the Red Gate Road Bridge project.

3. Reason for Work

The circuits that feed the northern reaches of the City on either side of the river are long, exposed lines from either City Hall Sub or North 12th St. Sub. They are a significant reliability risk in that they are radial fed, meaning they have no backup ties. When the lines are damaged by car accidents, storms, or trees, all customers north of the damage are out of power until the damage is repaired, typically many hours. We have no backup feed to use to restore power to the customers via isolation and switching. The circuits have a combined 1,186 customers, including North High School and Q-Center. Using our new source (LDC2) and this tie, we can achieve our needed backup to both of these heavily loaded circuits, and significantly impact our system reliability. Attached PDF shows the link between two circuits that will be created..

4. Impact on Budget

The total overall project cost of \$800,000 is anticipated to be bonded and will incur future debt service.

Project Request
FY 12/13

Project Name *Electric Substation Transformer Replacement*

Estimated Total Cost of Project

\$600,000

Project Description

1. Location

Dunham Road Substation

2. Work to be Performed

Replace failed substation transformer.

3. Reason for Work

The most expensive single asset group for the Electric Utility are our fleet of substation transformers. We have 15 substation transformers to serve our entire City. As part of our diagnostic maintenance program, two 40+ year old substation transformers, which were beyond their expected useful life of 30-35 years, failed Doble testing and were at risk of imminent failure. Test results were verified by a Doble Engineer and by an independent test firm. Both failed units have been taken off line, leaving the system in a contingency planning risk situation. The two transformers that failed were 2T1 at North 12th St. Sub, and 7T2 at Dunham Road Sub. Lead time for a new transformer is six to nine months. Utilizing SCADA load data, our substation engineer has orchestrated a plan to move a transformer at City Hall Sub, namely 3T2 over to fill the most critical role for 2T1 immediately, leaving vacancies at City Hall and Dunham Road. Using data from our SCADA system, the Dunham Road replacement is deemed the higher priority due to the loading of the other transformers at Dunham Road, and the loading levels of other lines and transformers on the east side of the City. The City Hall Sub vacancy is a budgeted item within the four year capital plan.

4. Impact on Budget

The total overall project cost of \$600,000 is anticipated to be bonded and will incur future debt service.

Project Request
FY 12/13

Project Name *Local Distribution Center (LDC) #2 - Little Woods*

Estimated Total Cost of Project

\$500,000

Project Description

1. Location

Little Woods School site - Route 25.

2. Work to be Performed

Install new 9,375kVA substation (LDC) to create a new source at the north end of our service territory. Install feed from ComEd lines.

3. Reason for Work

The 12kV overhead circuits that feed the northern reaches of the City on either side of the river are long, exposed lines from either City Hall Sub or North 12th St. Sub. They are a significant reliability risk in that they are radial fed, meaning they have no backup ties. When the lines are damaged by car accidents, storms, or trees, all customers north of the damage are out of power until the damage is repaired, typically many hours. We have no backup feed to use to restore power to the customers via isolation and switching. A single new source will provide needed backup to both of these heavily loaded circuits. Our LDC concept was recognized in the Transmission & Distribution World magazine in March 2012, and it is a great fit at this location. LDC2w will be almost exactly the same as the first LDC installation at 609 S. Kirk. This substation project will be associated with a distribution project to install the 12kV circuit tie.

4. Impact on Budget

The total overall project cost of \$500,000 is anticipated to be bonded and will incur future debt service.

Project Request
FY 12/13

Project Name *Critical Distribution Infrastructure Capital Replacement*

Estimated Total Cost of Project

\$470,000 Total

Project Description

1. Location

Various - as prioritized.

2. Work to be Performed

Use diagnostic testing and services to prioritize distribution infrastructure items estimated most at risk of failing. Perform cable injection, cable replacement, and pole replacements based on criteria such as: test results, age, previous reliability performance, and the reliability impact if the item were to fail.

3. Reason for Work

Utilizing outage statistics, there are two categories of equipment that have the most impact on electric reliability, underground cable and overhead/poles. Cable failures occur when their insulation is compromised causing them to fault. Overhead systems near their end of life are at risk of failure during storms. Utilizing test equipment, our Distribution Engineer has prioritized the subdivisions most in need of cable replacement. Cable injection has proven to be a cost effective way to restore the insulation and extend the life, with the added benefit of not having to dig holes in backyards. Where cable injection can't be used, we will install new pipe and cable. On the poles, the City hired a firm, Osmose, to test every wood pole in the City of St. Charles. Based on the test results and the impact on reliability if a pole were to break, the Electric Utility continues our multi-year program to eradicate bad poles. These two successful programs are part of the reason that the 2011 Electric Reliability was the best in 10 years.

4. Impact on Budget

The \$400,000 of cable replacement and \$70,000 of pole and overhead equipment replacement are critical infrastructure programs that have been assigned high priority status within our tight capital budget. Other projects, deemed less critical, have been deferred to allow this level of funds to be allocated to Cable Replacement and Pole Replacements.

Project Request
FY 12-13

Project Name *Main Treatment and Biosolids Building*

Estimated Total Cost of Project

\$8,500,000

Project Description

1. Location

Main Wastewater Treatment Plant, 200 Devereaux Way

2. Work to be Performed

Demolition of old main treatment and sludge handling building and construction of new building to house the same. Equipment in the building includes sludge pumping and dewatering systems, electrical panels and sludge storage. Other work areas include maintenance shop, records room, break room and supply room.

3. Reason for Work

The existing building dates back to the 1930's with several additions being added over the years, the last one in the 1970's. Due to the age and additions to the building the structural integrity of the building is questionable for supporting new equipment which is large and heavy. Equipment in the building such as the motor control center is over thirty-five years old, the pumping and dewatering equipment is anywhere from thirteen to twenty years old and is past it's service life. Parts are not available and maintenance costs are increasing. The layout of equipment and the building due to the additions are not efficient for conveyence and handling of sludge and also creates corrosive atmosphere in other occupied rooms in the building.

4. Impact on Budget

(Discussion of recurring costs, savings that will be realized, benefit to the city & citizens)

The project cost is estimated at \$8.5 million and is budgeted in FY12/13. It is anticipated the project will be funded by an IEPA Low Interest Loan which will save additional monies for the City. There will be annual chemical and maintenance costs for the facility but at a much lower cost than present due the age and inefficiencies of present equipment.

Fiscal Year 2012/2013 Capital

Accounting Unit	Account	Activity	Amount
GENERAL FUND			
100200 Information Systems	56004 Computer Equipment	IS1000 Replace/Upgrade Network Server	3,500
100200 Information Systems	56004 Computer Equipment	IS1002 GIS Hardware	12,000
100200 Information Systems	56004 Computer Equipment	IS1003 UPS Replacements	13,000
100200 Information Systems	56004 Computer Equipment	IS1004 Wireless Access Point	4,200
100200 Information Systems	56004 Computer Equipment	IS1005 Disaster Recovery Hdw For Ntwk	9,000
100200 Information Systems	56004 Computer Equipment	IS1008 Memory/Processor Upgrades	2,000
100200 Information Systems	56004 Computer Equipment	IS1009 Network Cards and Drives	2,000
100200 Information Systems	56004 Computer Equipment	IS1011 Telephone Parts/Equipment	5,000
100200 Information Systems	56004 Computer Equipment	IS1012 Switch Replacements	6,000
100200 Information Systems	56004 Computer Equipment	IS1015 Audio Visual Equipment	1,500
100200 Information Systems	56004 Computer Equipment	IS1017 Tablet Computers	9,000
100400 Fire Admin	56004 Computer Equipment	FD4002 Tablet Computers for FPB	2,000
100401 Fire Operations	56002 Machinery and Equipment	FD4101 Replace of Fire Hose/Fittings	15,000
100401 Fire Operations	56002 Machinery and Equipment	FD4104 Rescue and Safety Equipment	10,000
100401 Fire Operations	56002 Machinery and Equipment	FD4105 Scba Replacements	13,500
100401 Fire Operations	56002 Machinery and Equipment	FD4107 Replacement of nozzles and ada	8,400
100401 Fire Operations	56003 Office Furnishings and Equip	FD4100 Station Furniture	9,000
100401 Fire Operations	56099 Other Equipment	FD4103 Radio Equipment Replacement	20,000
100401 Fire Operations	56099 Other Equipment	FD4109 Technical rescue supplies and	6,000
100401 Fire Operations	56099 Other Equipment	FD4110 Monitoring equipment	4,000
100402 Fire EMA	56099 Other Equipment	FD4801 Outdoor Warning Siren/Fox Glen	20,750
100402 Fire EMA	56099 Other Equipment	FD4803 Multi Frequency Radio Hub for	6,000
100510 Construction Services	56002 Machinery and Equipment	PS5100 Snow Plow Replace Blades	8,695
100600 Planning Services	56099 Other Equipment	CD6000 Comprehensive Plan	55,978
100603 Bldg & Code Enforcement	56004 Computer Equipment	CD6030 Computer/Printer Additions	1,656
100604 Development Engineering	56101 Land Improvements	CD6040 Artesian Springs Imp	125,000
		TOTAL GENERAL FUND	373,179
ELECTRIC			
200520 Electric Administration	56004 Computer Equipment	EL1000 Computer and Printer Replacem	12,480
200520 Electric Administration	56301 Capitalized Software	EL1000 Computer and Printer Replacem	3,600
200521 Electric Operations	56000 Motor Vehicles/Additions	EL2004 Mini Excavator	30,000
200521 Electric Operations	56203 Substation Capital Improvements		500,000
200521 Electric Operations	56203 Substation Capital Improvements	LDC 2 at Little Woods School Site	600,000
200521 Electric Operations	56206 Distribution Capital Improvements	Replace Failed Sub Transformer 2T1	400,000
200521 Electric Operations	56206 Distribution Capital Improvements	Standard Residential Cable Replacement	120,000
200521 Electric Operations	56206 Distribution Capital Improvements	734 Mainline Cable Replacement	170,000
200521 Electric Operations	56206 Distribution Capital Improvements	Stern Ave Cable Replacement	200,000
200521 Electric Operations	56206 Distribution Capital Improvements	Power Factor Correction Equipment	150,000
200521 Electric Operations	56206 Distribution Capital Improvements	Install Cable Across Red Gate Road Bridg	800,000
200521 Electric Operations	56206 Distribution Capital Improvements	Contractor duct on Red Gate Road Bridg	250,000
200521 Electric Operations	56206 Distribution Capital Improvements	Unplanned Equipment Failures	67,000
200521 Electric Operations	56206 Distribution Capital Improvements	Eloit switchgear replacements	40,000
200521 Electric Operations	56206 Distribution Capital Improvements	Relocate switchgear at Oak St and Rt. 64	70,000
200521 Electric Operations	56206 Distribution Capital Improvements	Overhead System Replacements	30,000
200521 Electric Operations	56207 Services/Upgrades	Resident/comm/industrial service/upg	30,000
200521 Electric Operations	56208 St Light/Traffic Signal	Unplanned Streetlight Replacements	20,000
200521 Electric Operations	56208 St Light/Traffic Signal	Concrete Pole Replacements	2,700
200522 Electric Meter	56004 Computer Equipment	EL9004 Computer and Printer Replace	600
200522 Electric Meter	56301 Capitalized Software	EL9004 Computer and Printer Replace	600
		TOTAL ELECTRIC FUND	3,496,380
WATER			
210540 Water Administration	56004 Computer Equipment	WA1000 Computer & Printer Replacement	1,502
210540 Water Administration	56301 Capitalized Software	WA1000 Computer & Printer Replacement	1,000
210541 Water Operations	56002 Machinery and Equipment	WA2004 Filter Media Replace Well#13	70,000
210541 Water Operations	56150 Design Engineering/Capital	WA2007 Elevated Water Tower #3	250,000
210541 Water Operations	56101 Land Improvements	WA5001 Pheasant Run	66,667
210541 Water Operations	56160 Constr Engineering/Capital	WA5001 Pheasant Run	6,667
210541 Water Operations	56101 Land Improvements	WA5003 Rt 64 /7th to Dunham Rd	275,000
210541 Water Operations	56160 Constr Engineering/Capital	WA5003 Rt 64/7th to Dunham Rd	27,500
210541 Water Operations	56101 Land Improvements	WA5005 Reserves Fox River Water Main	1,300,000
210541 Water Operations	56160 Constr Engineering/Capital	WA5005 Reserves Fox River Water Main	165,000
210541 Water Operations	56101 Land Improvements	WA5006 9th St (Lexington) Water Main	95,000
210541 Water Operations	56150 Design Engineering/Capital	WA5006 9th St (Lexington) Water Main	8,550
210541 Water Operations	56160 Constr Engineering/Capital	WA5006 9th St (Lexington) Water Main	8,550
210541 Water Operations	56101 Land Improvements	WA5007 Rt 64 /59 to Kautz	66,667
210541 Water Operations	56160 Constr Engineering/Capital	WA5007 Rt 64/59 to Kautz	6,667
210541 Water Operations	56101 Land Improvements	WA5019 Water MFT Repairs Contribution	115,000
210542 Water Meter	56004 Computer Equipment	WA7002 Computer & Printer Repl	4,017
210542 Water Meter	56301 Capitalized Software	WA7002 Computer & Printer Repl	750
		TOTAL WATER FUND	2,468,537

Fiscal Year 2012/2013 Capital

Accounting Unit	Account	Activity	Amount
WASTEWATER			
220551 Wastewater Plant Operations	56201 Remodeling and Renovation	WW2000 Digester Exterior Coating	70,000
220551 Wastewater Plant Operations	56160 Constr Engineering/Capital	WW2003 Biosolids Handling Bldg & Equi	486,000
220551 Wastewater Plant Operations	56201 Remodeling and Renovation	WW2003 Biosolids Handling Bldg & Equi	8,500,000
220551 Wastewater Plant Operations	56004 Computer Equipment	WW2012 Computer & Printer Repl/Plant	980
220551 Wastewater Plant Operations	56301 Capitalized Software	WW2012 Computer & Printer Repl/Plant	400
220551 Wastewater Plant Operations	56004 Computer Equipment	WW3002 Computer & Printer Repl/Lab	520
220551 Wastewater Plant Operations	56301 Capitalized Software	WW3002 Computer & Printer Repl/Lab	600
220551 Wastewater Plant Operations	56004 Computer Equipment	WW4001 Repl Copier IR1310	1,000
220551 Wastewater Plant Operations	56201 Remodeling and Renovation	WW5000 Royal Fox II Lift Stat Repl	550,000
220551 Wastewater Plant Operations	56002 Machinery and Equipment	WW5002 Lift Station Hatch Repl Prog	15,000
220552 Wastewater Collections	56101 Land Improvements	WW6002 213 S. 18th St Construction	35,000
220552 Wastewater Collections	56150 Design Engineering/Capital	WW6002 213 S. 18th St Construction	3,150
220552 Wastewater Collections	56160 Constr Engineering/Capital	WW6002 213 S. 18th St Construction	3,150
220552 Wastewater Collections	56002 Machinery and Equipment	WW6004 Replace Of 6 Trashpump#1872	47,000
220552 Wastewater Collections	56101 Land Improvements	WW6008 Sanitary Sewer MFT Funds	132,000
220552 Wastewater Collections	56004 Computer Equipment	WW6011 Computer & Printer Repl/Collec	2,447
220552 Wastewater Collections	56301 Capitalized Software	WW6011 Computer & Printer Repl/Collec	1,000
		TOTAL WASTEWATER FUND	9,848,247
MOTOR FUEL TAX			
350500 Motor Fuel Tax	56101 Land Improvements	MF1000 Annual Resurfacing Program	938,260
350500 Motor Fuel Tax	56101 Land Improvements	MF1001 IL64 Bidirectional Turn Lane	445,000
350500 Motor Fuel Tax	56150 Design Engineering/Capital	MF1001 IL64 Bidirectional Turn Lane	66,700
		TOTAL MFT FUND	1,449,960
FIRST ST CAPITAL PROJECTS FUND			
503661 First St Capital Projects	56101 Land Improvements	Land Improvements	2,141,135
503661 First St Capital Projects	56200 Structures and Improvements	Structures and Improvements	637,500
503661 First St Capital Projects	56208 St Light/Traffic Signal Capital	St Light/Traffic Signal Capital	276,216
503661 First St Capital Projects	56150 Desing Engineering-Capital	Desing Engineering-Capital	77,080
503661 First St Capital Projects	56160 Construction Engineering-Capital	Construction Engineering-Capital	122,728
		TOTAL FIRST ST CAPITAL PROJECTS	3,254,659
RED GATE BRIDGE			
501500 Red Gate Bridge	56200 Structures and Improvements	RG1001 Construction/ Red Gate Bridge	7,425,675
		TOTAL RED GATE BRIDGE	7,425,675
CAPITAL PROJECTS FUND			
513300 Capital Projects/Police	56002 Machinery and Equipment	CP3000 Forensic Light Source	25,000
513300 Capital Projects/Police	56004 Computer Equipment	CP3001 Live Scan Computer System	30,000
513400 Capital Projects/Fire	56099 Other Equipment	CP4001 ALS Life Packs	125,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5001 Concrete Program	290,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5007 Bob Leonard Riverwalk Extensio	600,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5009 Sidewalk/Prairie	14,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5018 West Main Street Wall Rehab	50,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5022 15th Street Project (Grant)	300,000
513500 Capital Projects/Street/Bridge	56150 Design Engineering/Capital	CP5013 Traffic Signal Peck/Campton	18,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5001 Concrete Program	48,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5007 Bob Leonard Riverwalk Extensio	54,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5018 West Main Street Wall Rehab	5,000
513500 Capital Projects/Street/Bridge	56170 Other Engineering Svcs/Capital	CP5004 IL64 Bidirectional	30,000
513500 Capital Projects/Street/Bridge	56170 Other Engineering Svcs/Capital	CP5016 General Testing Services	21,000
513500 Capital Projects/Street/Bridge	56170 Other Engineering Svcs/Capital	CP5017 Street Rating Evaluation	50,000
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5024 IDOT Highway Safety Imp Proj	56,000
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5025 IDOT LED Traffic Signal Upgrade	7,500
513501 Capital Projects/Storm	56100 Land	CP5705 Tyler Rd Drainage	160,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5700 MFT Storm Contribution	93,200
513501 Capital Projects/Storm	56101 Land Improvements	CP5701 Culvert Maintenance Program	20,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5703 FoxGlen Norton Cr Stream Stabi	65,000
513501 Capital Projects/Storm	56160 Constr Engineering/Capital	CP5701 Culvert Maintenance Program	8,500
513501 Capital Projects/Storm	56170 Other Engineering Svcs/Capital	CP5701 Culvert Maintenance Program	8,500
513511 Capital Projects/Special Svcs	56002 Machinery and Equipment	CP5805 Mechanical Roof Top Repl @Sta2	10,000
513511 Capital Projects/Special Svcs	56002 Machinery and Equipment	CP5806 Mechanical Roof Top Repl@Sta3	10,000
513511 Capital Projects/Special Svcs	56101 Land Improvements	CP5900 EAB Program	714,000
513511 Capital Projects/Special Svcs	56200 Structures and Improvements	CP5807 Muni Bldg Tower Light Replace	18,000
513511 Capital Projects/Special Svcs	56200 Structures and Improvements	CP5808 Municipal Bldg Façade Imp	50,000
		TOTAL CAPITAL PROJECT FUND	2,880,700
INVENTORY			
800223 Inventory	56004 Computer Equipment	IN2000 Computer & Printer Repl/Inv	2,867

Fiscal Year 2012/2013 Capital

Accounting Unit	Account	Activity	Amount
800223 Inventory	56301 Capitalized Software	IN2000 Computer & Printer Repl/Inv	1,300
		TOTAL INVENTORY FUND	4,167
FLEET			
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3003 Repl 1971 PD 04 2003 Taurus	32,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3004 Repl 1800 PD 08 2004 Impala	32,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3005 Repl 1922 PD 25 2007 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3006 Repl 1898 PD 33 2007 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3010 Repl 1742 PD 21 2009 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3012 Repl 1710 PD 02 2002 Impala	32,000
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4000 Replace Staff Car	25,527
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4001 Replace Two Brush Trucks w/One	69,342
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4003 Replace Staff Car/Training	25,500
801400 Motor Vehicle/Fire	56099 Other Equipment	MV4002 Replace Zodiac Boat/Trailer	15,600
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5001 Repl 1954 3/4ton P/U W/Plow	43,000
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5006 Repl 1830 Inges DD224 Roller	32,000
801512 Fleet Services	56004 Computer Equipment	FL5001 Computer & Printer Repl/Fleet	3,012
801512 Fleet Services	56301 Capitalized Software	FL5001 Computer & Printer Repl/Fleet	1,000
801600 Motor Vehicle/Comm Develop	56001 Motor Vehicles/Replacements	MV6000 Replace #1993 Chevy S	24,000
		TOTAL MOTOR VEHICLE REPL FUND	439,981
COMMUNICATIONS			
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1001 Copier Replace/Police IR3300	11,000
804200 Communications/Info Systems	56004 Computer Equipment	CO2000 Computer Replacement Purchases	100,386
804200 Communications/Info Systems	56301 Capitalized Software	CO2000 Computer Replacement Purchases	32,000
804530 Communications/Fiber	56004 Computer Equipment	CO3010 Computer/Printer Replace Res	483
804530 Communications/Fiber	56301 Capitalized Software	CO3010 Computer/Printer Replace Res	300
804530 Communications/Fiber	56004 Computer Equipment	CO3011 Switch Replacement	5,000
804530 Communications/Fiber	56213 Fiber Optic System	CO3012 Sub 7 to Tyler Reconnect	10,000
804530 Communications/Fiber	56213 Fiber Optic System	CO3014 Lift Station Telemetry	5,000
804530 Communications/Fiber	56002 Machinery and Equipment	CO3002 Key Scan For City Hall	3,615
804530 Communications/Fiber	56002 Machinery and Equipment	CO3005 Key Scan for Police Dept	3,875
804530 Communications/Fiber	56002 Machinery and Equipment	CO3013 PW Radio System	11,500
		TOTAL COMMUNICATIONS FUND	183,159
		TOTAL CAPITAL	<u>31,824,644</u>

Fiscal Year 2013/2014 Capital

Accounting Unit	Account	Activity	Amount
GENERAL FUND			
100200 Information Systems	56004 Computer Equipment	IS1000 Replace/Upgrade Network Server	5,000
100200 Information Systems	56004 Computer Equipment	IS1002 GIS Hardware	25,000
100200 Information Systems	56004 Computer Equipment	IS1003 UPS Replacements	2,000
100200 Information Systems	56004 Computer Equipment	IS1004 Wireless Access Point	10,000
100200 Information Systems	56004 Computer Equipment	IS1005 Disaster Recovery Hdw For Ntwk	19,000
100200 Information Systems	56004 Computer Equipment	IS1008 Memory/Processor Upgrades	2,000
100200 Information Systems	56004 Computer Equipment	IS1009 Network Cards and Drives	2,000
100200 Information Systems	56004 Computer Equipment	IS1011 Telephone Parts/Equipment	5,000
100200 Information Systems	56004 Computer Equipment	IS1012 Switch Replacements	6,000
100200 Information Systems	56004 Computer Equipment	IS1013 Voicemail Server Replacement	6,500
100200 Information Systems	56004 Computer Equipment	IS1015 Audio Visual Equipment	3,500
100401 Fire Operations	56002 Machinery and Equipment	FD4101 Replace of Fire Hose/Fittings	15,000
100401 Fire Operations	56002 Machinery and Equipment	FD4104 Rescue and Safety Equipment	10,000
100401 Fire Operations	56002 Machinery and Equipment	FD4105 Scba Replacements	14,000
100401 Fire Operations	56002 Machinery and Equipment	FD4107 Replacement of nozzles and ada	8,400
100401 Fire Operations	56003 Office Furnishings and Equip	FD4100 Station Furniture	9,000
100401 Fire Operations	56099 Other Equipment	FD4103 Radio Equipment Replacement	20,000
100401 Fire Operations	56099 Other Equipment	FD4109 Technical rescue supplies and	6,000
100401 Fire Operations	56099 Other Equipment	FD4110 Monitoring equipment	4,000
100402 Fire EMA	56099 Other Equipment	FD4802 EOC Equipment and Monitors	5,000
100402 Fire EMA	56099 Other Equipment	FD4804 Two Radio Repeaters, One fixed	6,000
100510 Construction Services	56002 Machinery and Equipment	P55100 Snow Plow Replace Blades	8,956
		TOTAL GENERAL FUND	192,356
ELECTRIC			
200520 Electric Administration	56004 Computer Equipment	EL1000 Computer and Printer Replacemt	12,480
200520 Electric Administration	56301 Capitalized Software	EL1000 Computer and Printer Replacemt	3,600
200521 Electric Operations	56203 Substation Capital Improvements	Replace substation generator - Sub 3	20,000
200521 Electric Operations	56203 Substation Capital Improvements	Dunham Rd Upgrade Engineering	100,000
200521 Electric Operations	56203 Substation Capital Improvements	2T1 complete replacement	200,000
200521 Electric Operations	56203 Substation Capital Improvements	Comed feed bus and breaker at sub 7	100,000
200521 Electric Operations	56203 Substation Capital Improvements	SCADA server upgrade	10,000
200521 Electric Operations	56206 Distribution Capital Improvements	Standard Residential Cable Replacemen	400,000
200521 Electric Operations	56206 Distribution Capital Improvements	Power Factor Correction Equipment	400,000
200521 Electric Operations	56206 Distribution Capital Improvements	Extend LDC1 Circuit north to 514&715	175,000
200521 Electric Operations	56206 Distribution Capital Improvements	Unplanned Equipment Failures	260,000
200521 Electric Operations	56206 Distribution Capital Improvements	Eiloit switchgear replacements	70,000
200521 Electric Operations	56206 Distribution Capital Improvements	Overhead System Replacements	75,000
200521 Electric Operations	56206 Distribution Capital Improvements	Complete duct run on dean st	125,000
200521 Electric Operations	56206 Distribution Capital Improvements	Eradicate 4kV at Dickey Mfg	50,000
200521 Electric Operations	56206 Distribution Capital Improvements	Extend 314 north to LDC2	250,000
200521 Electric Operations	56207 Services/Upgrades	Resident/comm/industrial service/upg	35,000
200521 Electric Operations	56208 St Light/Traffic Signal	Unplanned Streetlight Replacements	30,000
200521 Electric Operations	56208 St Light/Traffic Signal	Concrete Pole Replacements	10,000
200521 Electric Operations	56208 St Light/Traffic Signal	Municipal parking lot lighting	20,000
200522 Electric Meter	56001 Motor Vehicles/Replacements	EL9002 Replace 1776 F150 1/2 T Pickup	42,000
200522 Electric Meter	56004 Computer Equipment	EL9004 Computer and Printer Replace	2,700
200522 Electric Meter	56301 Capitalized Software	EL9004 Computer and Printer Replace	600
		TOTAL ELECTRIC FUND	2,391,380
WATER			
210540 Water Administration	56004 Computer Equipment	WA1000 Computer & Printer Replacement	1,502
210540 Water Administration	56301 Capitalized Software	WA1000 Computer & Printer Replacement	1,000
210541 Water Operations	56160 Constr Engineering/Capital	WA2007 Elevated Water Tower #3	170,000
210541 Water Operations	56211 District Reservoir & Standpipe	WA2007 Elevated Water Tower #3	1,700,000
210541 Water Operations	56209 Wells	WA2013 Convert Well #11 to Hypo	19,000
210541 Water Operations	56101 Land Improvements	WA5001 Pheasant Run	66,667
210541 Water Operations	56160 Constr Engineering/Capital	WA5001 Pheasant Run	6,667
210541 Water Operations	56101 Land Improvements	WA5003 Rt 64 /7th to Dunham Rd	275,000
210541 Water Operations	56160 Constr Engineering/Capital	WA5003 Rt 64/7th to Dunham Rd	27,500
210541 Water Operations	56101 Land Improvements	WA5007 Rt 64 /59 to Kautz	66,667
210541 Water Operations	56160 Constr Engineering/Capital	WA5007 Rt 64/59 to Kautz	6,667
210541 Water Operations	56101 Land Improvements	WA5010 N. 2nd Ave to Delnor Ave	346,650
210541 Water Operations	56150 Design Engineering/Capital	WA5010 N. 2nd Ave to Delnor Ave	31,198
210541 Water Operations	56160 Constr Engineering/Capital	WA5010 N. 2nd Ave to Delnor Ave	31,198
210541 Water Operations	56101 Land Improvements	WA5015 Fellows Street Water Main Loop	18,000
210541 Water Operations	56101 Land Improvements	WA5017 Mckinley St Water Main Loop	18,000
210541 Water Operations	56101 Land Improvements	WA5019 Water MFT Repairs Contribution	115,000
210541 Water Operations	56001 Motor Vehicles/Replacements	WA5023 Replace 1940 Utility Truck 4WD	65,000
210541 Water Operations	56001 Motor Vehicles/Replacements	WA5024 Repl 1748 Utility Truck	54,000
210542 Water Meter	56004 Computer Equipment	WA7002 Computer & Printer Repl	4,017

Fiscal Year 2013/2014 Capital

Accounting Unit	Account	Activity	Amount
210542 Water Meter	56301 Capitalized Software	WA7002 Computer & Printer Repl	750
		TOTAL WATER FUND	3,024,483
WASTEWATER			
220551 Wastewater Plant Operations	56201 Remodeling and Renovation	WW2001 Clean out 2 Anaerobic Digester	125,000
220551 Wastewater Plant Operations	56002 Machinery and Equipment	WW2002 Repl of Anaerobic Dig Boilers	360,000
220551 Wastewater Plant Operations	56001 Motor Vehicles/Replacements	WW2004 Replace 1953/Ford 3/4 ton P/U	40,000
220551 Wastewater Plant Operations	56001 Motor Vehicles/Replacements	WW2005 Replace 1808 3 ton Dump	110,000
220551 Wastewater Plant Operations	56004 Computer Equipment	WW2012 Computer & Printer Repl/Plant	980
220551 Wastewater Plant Operations	56301 Capitalized Software	WW2012 Computer & Printer Repl/Plant	400
220551 Wastewater Plant Operations	56001 Motor Vehicles/Replacements	WW3000 Repl #1738 Ford 1/2 ton P/U	30,000
220551 Wastewater Plant Operations	56004 Computer Equipment	WW3002 Computer & Printer Repl/Lab	520
220551 Wastewater Plant Operations	56301 Capitalized Software	WW3002 Computer & Printer Repl/Lab	600
220551 Wastewater Plant Operations	56200 Structures and Improvements	WW5001 Royal Fox I Lift Stat Repl	550,000
220551 Wastewater Plant Operations	56002 Machinery and Equipment	WW5002 Lift Station Hatch Repl Progm	15,000
220552 Wastewater Collections	56002 Machinery and Equipment	WW6003 4 Trashpump#2142Replacement	48,000
220552 Wastewater Collections	56001 Motor Vehicles/Replacements	WW6006 Repl 1733 Ford 550	60,000
220552 Wastewater Collections	56101 Land Improvements	WW6008 Sanitary Sewer MFT Funds	95,000
220552 Wastewater Collections	56200 Structures and Improvements	WW6009 Vactor Rec Station	90,000
220552 Wastewater Collections	56004 Computer Equipment	WW6011 Computer & Printer Repl/Collec	2,447
220552 Wastewater Collections	56301 Capitalized Software	WW6011 Computer & Printer Repl/Collec	1,000
		TOTAL WASTEWATER FUND	1,528,947
MOTOR FUEL TAX			
350500 Motor Fuel Tax	56101 Land Improvements	MF1000 Annual Resurfacing Program	966,408
350500 Motor Fuel Tax	56101 Land Improvements	MF1001 IL64 Bidirectional Turn Lane	445,000
350500 Motor Fuel Tax	56150 Design Engineering/Capital	MF1001 IL64 Bidirectional Turn Lane	66,700
		TOTAL MFT FUND	1,478,108
FIRST ST CAPITAL PROJECTS FUND			
503661 First St Capital Projects	56101 Land Improvements	Land Improvements	2,267,646
503661 First St Capital Projects	56200 Structures and Improvements	Structures and Improvements	637,500
503661 First St Capital Projects	56160 Construction Engineering-Capital	Construction Engineering-Capital	122,728
		TOTAL FIRST ST CAPITAL PROJECTS	3,027,874
CAPITAL PROJECTS FUND			
513400 Capital Projects/Fire	56002 Machinery and Equipment	CP4006 Thermal Imaging Camera	14,500
513400 Capital Projects/Fire	56099 Other Equipment	CP4007 Replacement Of Jon Boat w/Air Boat	35,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5001 Concrete Program	310,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5003 City Hall Parking Lot Improvem	750,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5006 Pedestrian/Hwy Lighting/1st Av	50,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5008 Water Garden	10,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5009 Sidewalk/Prairie	9,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5011 Ill,37th,38th & Ohio Reconstrc	2,000,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5022 15th Street Project (Grant)	330,000
513500 Capital Projects/Street/Bridge	56150 Design Engineering/Capital	CP5012 Riverside Streetscape/Main t	35,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5001 Concrete Program	49,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5003 City Hall Parking Lot Improvem	47,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5012 Riverside Streetscape/Main t	35,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5013 Traffic Signal Peck/Campton	18,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5015 Il 64/Peck Perm Traffic Signal (50%)	7,500
513500 Capital Projects/Street/Bridge	56170 Other Engineering Svcs/Capital	CP5016 General Testing Services	22,000
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5013 Traffic Signal Peck/Campton	200,000
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5014 Traffic Calming Device Install	12,000
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5015 Il 64/Peck Perm Traffic Signal (50%)	85,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5700 MFT Storm Contribution	95,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5701 Culvert Maintenance Program	20,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5703 FoxGlen Norton Cr Stream Stabi	550,000
513501 Capital Projects/Storm	56150 Design Engineering/Capital	CP5705 Tyler Rd Drainage	72,000
513501 Capital Projects/Storm	56160 Constr Engineering/Capital	CP5701 Culvert Maintenance Program	8,500
513501 Capital Projects/Storm	56160 Constr Engineering/Capital	CP5703 FoxGlen Norton Cr Stream Stabi	55,000
513501 Capital Projects/Storm	56170 Other Engineering Svcs/Capital	CP5701 Culvert Maintenance Program	8,500
513511 Capital Projects/Special Svcs	56101 Land Improvements	CP5900 EAB Program	872,000
		TOTAL CAPITAL PROJECT FUND	5,700,000
INVENTORY			
800223 Inventory	56004 Computer Equipment	IN2000 Computer & Printer Repl/Inv	2,867
800223 Inventory	56301 Capitalized Software	IN2000 Computer & Printer Repl/Inv	1,300
		TOTAL INVENTORY FUND	4,167
FLEET			
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3011 Repl 1741 PD 29 2009 Crown Vic	35,000

Fiscal Year 2013/2014 Capital

Accounting Unit	Account	Activity	Amount
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3009 Repl 1721 PD 30 2008 Explorer	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3001 Repl 1745 PD 40 2004 Excursion	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3013 Repl 1755 PD 03 Explorer-Admin	32,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3007 Repl 1975 PD 07 05 Impala-Inv	32,000
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4004 Replace Command 112/City 1952	50,000
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4005 Replace Command 113/ City 1995	50,000
801511 Motor Vehicle/PS/Special Svcs	56001 Motor Vehicles/Replacements	MV5800 Repl 1813 3/4 ton Pickup25,000	
801511 Motor Vehicle/PS/Special Svcs	56001 Motor Vehicles/Replacements	MV5801 Repl 1889 Ford 7700 1/2 4Wh Dr	31,000
801512 Fleet Services	56004 Computer Equipment	FL5001 Computer & Printer Repl/Fleet	3,012
801512 Fleet Services	56301 Capitalized Software	FL5001 Computer & Printer Repl/Fleet	1,000
801600 Motor Vehicle/Comm Develop	56001 Motor Vehicles/Replacements	MV6000 Replace #1993 Chevy S	-
801600 Motor Vehicle/Comm Develop	56001 Motor Vehicles/Replacements	MV6001 Repl 1907; Sedan Admin	22,000
		TOTAL MOTOR VEHICLE REPL FUND	351,012
COMMUNICATIONS			
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1000 Copier Replacement/IS	21,000
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1002 Copier Replace/Police IR3570	12,000
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1003 Copier Replace/Fire IR2270	11,000
804200 Communications/Info Systems	56004 Computer Equipment	CO2000 Computer Replacement Purchases	100,386
804200 Communications/Info Systems	56301 Capitalized Software	CO2000 Computer Replacement Purchases	32,000
804530 Communications/Fiber	56004 Computer Equipment	CO3010 Computer/Printer Replace Res	483
804530 Communications/Fiber	56301 Capitalized Software	CO3010 Computer/Printer Replace Res	300
804530 Communications/Fiber	56004 Computer Equipment	CO3011 Switch Replacement	5,000
804530 Communications/Fiber	56213 Fiber Optic System	CO3000 River Crossing Fiber	20,000
804530 Communications/Fiber	56002 Machinery and Equipment	CO3002 Key Scan For City Hall	6,450
804530 Communications/Fiber	56002 Machinery and Equipment	CO3004 Key Scan for PW Facility	4,300
		TOTAL COMMUNICATIONS FUND	212,919
		TOTAL CAPITAL	<u>17,911,246</u>

Fiscal Year 2014/2015 Capital

Accounting Unit	Account	Activity	Amount
GENERAL FUND			
100200 Information Systems	56004 Computer Equipment	IS1000 Replace/Upgrade Network Server	13,000
100200 Information Systems	56004 Computer Equipment	IS1002 GIS Hardware	5,000
100200 Information Systems	56004 Computer Equipment	IS1003 UPS Replacements	13,000
100200 Information Systems	56004 Computer Equipment	IS1004 Wireless Access Point	5,000
100200 Information Systems	56004 Computer Equipment	IS1005 Disaster Recovery Hdw For Ntwk	6,000
100200 Information Systems	56004 Computer Equipment	IS1007 ISeries Upgrade	80,000
100200 Information Systems	56004 Computer Equipment	IS1008 Memory/Processor Upgrades	2,000
100200 Information Systems	56004 Computer Equipment	IS1009 Network Cards and Drives	2,000
100200 Information Systems	56004 Computer Equipment	IS1011 Telephone Parts/Equipment	5,000
100200 Information Systems	56004 Computer Equipment	IS1012 Switch Replacements	6,000
100200 Information Systems	56004 Computer Equipment	IS1015 Audio Visual Equipment	3,500
100401 Fire Operations	56002 Machinery and Equipment	FD4101 Replace of Fire Hose/Fittings	15,000
100401 Fire Operations	56002 Machinery and Equipment	FD4104 Rescue and Safety Equipment	10,000
100401 Fire Operations	56002 Machinery and Equipment	FD4106 Repair of Fire Training tower	5,000
100401 Fire Operations	56002 Machinery and Equipment	FD4107 Replacement of nozzles and ada	8,400
100401 Fire Operations	56002 Machinery and Equipment	FD4108 Replacement of portable genera	6,000
100401 Fire Operations	56003 Office Furnishings and Equip	FD4100 Station Furniture	9,000
100401 Fire Operations	56099 Other Equipment	FD4103 Radio Equipment Replacement	20,000
100401 Fire Operations	56099 Other Equipment	FD4109 Technical rescue supplies and	6,000
100401 Fire Operations	56099 Other Equipment	FD4110 Monitoring equipment	4,000
100401 Fire Operations	56099 Other Equipment	FD4111 Pager replacements	3,500
100402 Fire EMA	56099 Other Equipment	FD4800 Portable Radio Replacements	2,500
100402 Fire EMA	56099 Other Equipment	FD4806 New Base Radio for EOC	4,250
100510 Construction Services	56002 Machinery and Equipment	PS5100 Snow Plow Replace Blades	9,225
		TOTAL GENERAL FUND	243,375
ELECTRIC			
200520 Electric Administration	56004 Computer Equipment	EL1000 Computer and Printer Replacem	12,480
200520 Electric Administration	56301 Capitalized Software	EL1000 Computer and Printer Replacem	3,600
200521 Electric Operations	56203 Substation Capital Improvements	Sp1t 12kv circuits at sub 3 (engineering)	50,000
200521 Electric Operations	56203 Substation Capital Improvements	LDC Pheasant Run	500,000
200521 Electric Operations	56203 Substation Capital Improvements	Dunham Rd Upgrade Const	1,000,000
200521 Electric Operations	56206 Distribution Capital Improvements	Eloit switchgear replacements	70,000
200521 Electric Operations	56206 Distribution Capital Improvements	Overhead System Replacements	75,000
200521 Electric Operations	56206 Distribution Capital Improvements	Power Factor Correction Equipment	200,000
200521 Electric Operations	56206 Distribution Capital Improvements	Unplanned Equipment Failures	270,000
200521 Electric Operations	56206 Distribution Capital Improvements	Standard Residential Cable Replacement	400,000
200521 Electric Operations	56207 Services/Upgrades	Resident/comm/Industrial service/upg	35,000
200521 Electric Operations	56208 St Light/Traffic Signal	Concrete Pole Replacements	10,000
200521 Electric Operations	56208 St Light/Traffic Signal	Unplanned Streetlight Replacements	30,000
200522 Electric Meter	56004 Computer Equipment	EL9004 Computer and Printer Replace	2,700
200522 Electric Meter	56301 Capitalized Software	EL9004 Computer and Printer Replace	600
		TOTAL ELECTRIC FUND	2,659,380
WATER			
210540 Water Administration	56004 Computer Equipment	WA1000 Computer & Printer Replacement	1,502
210540 Water Administration	56301 Capitalized Software	WA1000 Computer & Printer Replacement	1,000
210541 Water Operations	56001 Motor Vehicles/Replacements	WA5025 Vehicle #1724/ 6 Wheel Dump	150,000
210541 Water Operations	56101 Land Improvements	WA5001 Pheasant Run	66,667
210541 Water Operations	56101 Land Improvements	WA5003 Rt 64 /7th to Dunham Rd	275,000
210541 Water Operations	56101 Land Improvements	WA5007 Rt 64 /59 to Kautz	66,667
210541 Water Operations	56101 Land Improvements	WA5019 Water MFT Repairs Contribution	115,000
210541 Water Operations	56101 Land Improvements	WA5020 Delnor Woods Connection	40,000
210541 Water Operations	56150 Design Engineering/Capital	WA5020 Delnor Woods Connection	8,000
210541 Water Operations	56160 Constr Engineering/Capital	WA5001 Pheasant Run	6,667
210541 Water Operations	56160 Constr Engineering/Capital	WA5003 Rt 64/7th to Dunham Rd	27,500
210541 Water Operations	56160 Constr Engineering/Capital	WA5007 Rt 64/59 to Kautz	6,667
210541 Water Operations	56160 Constr Engineering/Capital	WA5020 Delnor Woods Connection	8,000
210541 Water Operations	56209 Wells	WA2014 Convert Well #9 to Hypo	22,000
210541 Water Operations	56211 District Reservoir & Standplpe	WA2011 Campton Hills Tower Maint Eng	675,000
210542 Water Meter	56001 Motor Vehicles/Replacements	WA7000 Replace 1801: 2003 Ford Van	44,500
210542 Water Meter	56004 Computer Equipment	WA7002 Computer & Printer Repl	4,017
210542 Water Meter	56301 Capitalized Software	WA7002 Computer & Printer Repl	750
		TOTAL WATER FUND	1,518,937
WASTEWATER			
220551 Wastewater Plant Operations	56004 Computer Equipment	WW2012 Computer & Printer Repl/Plant	980
220551 Wastewater Plant Operations	56301 Capitalized Software	WW2012 Computer & Printer Repl/Plant	400
220551 Wastewater Plant Operations	56004 Computer Equipment	WW3002 Computer & Printer Repl/Lab	520
220551 Wastewater Plant Operations	56301 Capitalized Software	WW3002 Computer & Printer Repl/Lab	600
220551 Wastewater Plant Operations	56150 Design Engineering/Capital	WW4000 West Plant Expansion	625,000

Fiscal Year 2014/2015 Capital

Accounting Unit	Account	Activity	Amount
220551 Wastewater Plant Operations	56002 Machinery and Equipment	WW5002 Lift Station Hatch Repl Prog	15,000
220552 Wastewater Collections	56001 Motor Vehicles/Replacements	WW6012 Vehicle #1753 1ton Utility	55,000
220552 Wastewater Collections	56101 Land Improvements	WW6008 Sanitary Sewer MFT Funds	100,000
220552 Wastewater Collections	56004 Computer Equipment	WW6011 Computer & Printer Repl/Collec	2,447
220552 Wastewater Collections	56301 Capitalized Software	WW6011 Computer & Printer Repl/Collec	1,000
		TOTAL WASTEWATER FUND	800,947
MOTOR FUEL TAX			
350500 Motor Fuel Tax	56101 Land Improvements	MF1000 Annual Resurfacing Program	966,408
350500 Motor Fuel Tax	56101 Land Improvements	MF1001 IL64 Bidirectional Turn Lane	445,000
350500 Motor Fuel Tax	56150 Design Engineering/Capital	MF1001 IL64 Bidirectional Turn Lane	66,700
		TOTAL MFT FUND	1,478,108
CAPITAL PROJECTS FUND			
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5008 Water Garden	5,000
513501 Capital Projects/Storm	56160 Constr Engineering/Capital	CP5701 Culvert Maintenance Program	8,500
513501 Capital Projects/Storm	56170 Other Engineering Svcs/Capital	CP5701 Culvert Maintenance Program	8,500
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5014 Traffic Calming Device Install	12,000
513400 Capital Projects/Fire	56002 Machinery and Equipment	CP4006 Thermal Imaging Camera	15,500
513501 Capital Projects/Storm	56101 Land Improvements	CP5701 Culvert Maintenance Program	20,000
513500 Capital Projects/Street/Bridge	56170 Other Engineering Svcs/Capital	CP5016 General Testing Services	22,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5001 Concrete Program	49,000
513501 Capital Projects/Storm	56160 Constr Engineering/Capital	CP5705 Tyler Rd Drainage	72,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5021 Tyler Rd/From Rt.64 to Kirk	78,750
513501 Capital Projects/Storm	56101 Land Improvements	CP5700 MFT Storm Contribution	100,000
513400 Capital Projects/Fire	56099 Other Equipment	CP4009 SCBA Replacements	200,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5001 Concrete Program	330,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5012 Riverside Streetscape/Main t	350,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5021 Tyler Rd/From Rt.64 to Kirk	870,066
513501 Capital Projects/Storm	56101 Land Improvements	CP5705 Tyler Rd Drainage	900,000
513511 Capital Projects/Special Svcs	56101 Land Improvements	CP5900 EAB Program	1,014,000
		TOTAL CAPITAL PROJECT FUND	4,055,316
INVENTORY			
800223 Inventory	56004 Computer Equipment	IN2000 Computer & Printer Repl/Inv	2,867
800223 Inventory	56301 Capitalized Software	IN2000 Computer & Printer Repl/Inv	1,300
		TOTAL INVENTORY FUND	4,167
FLEET			
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3017 Repl 1718 PD 22 2010 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3018 Repl 1704 PD 27 2010 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3019 Repl 1727 PD 31 2010 Dodge Charger	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3020 Repl 1769 Ford Ranger-Invest	32,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3002 Repl 1789 PD 11 2004 Crowne	32,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3014 Repl 1806 PD 46 04 GMC Van	32,000
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5002 Repl 1996 Dump W/VBox	128,000
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5003 Repl 1715 3Ton W/Plow&Spred	116,500
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5004 Repl 1716 Dump W/Plow&Spred	70,000
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5701 Vehicle #1863 6 Wheel Dump Trk	125,000
801510 Motor Vehicle/PS/Const Svcs	56001 Motor Vehicles/Replacements	MV5702 Tv Trailer #2172	145,000
801512 Fleet Services	56004 Computer Equipment	FL5001 Computer & Printer Repl/Fleet	3,012
801512 Fleet Services	56301 Capitalized Software	FL5001 Computer & Printer Repl/Fleet	1,000
		TOTAL MOTOR VEHICLE REPL FUND	789,512
COMMUNICATIONS			
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1004 Copier Replace/City Admin	32,000
804200 Communications/Info Systems	56004 Computer Equipment	CO2000 Computer Replacement Purchases	100,386
804200 Communications/Info Systems	56301 Capitalized Software	CO2000 Computer Replacement Purchases	32,000
804530 Communications/Fiber	56004 Computer Equipment	CO3010 Computer/Printer Replace Res	483
804530 Communications/Fiber	56301 Capitalized Software	CO3010 Computer/Printer Replace Res	300
804530 Communications/Fiber	56004 Computer Equipment	CO3011 Switch Replacement	5,000
804530 Communications/Fiber	56002 Machinery and Equipment	CO3003 Key Scan for Fire Dept	5,500
804530 Communications/Fiber	56002 Machinery and Equipment	CO3005 Key Scan for Police Dept	5,500
		TOTAL COMMUNICATIONS FUND	181,169
		TOTAL CAPITAL	11,730,911

Fiscal Year 2015/2016 Capital

Accounting Unit	Account	Activity	Amount
GENERAL FUND			
100200 Information Systems	56004 Computer Equipment	IS1000 Replace/Upgrade Network Server	13,000
100200 Information Systems	56004 Computer Equipment	IS1003 UPS Replacements	5,000
100200 Information Systems	56004 Computer Equipment	IS1004 Wireless Access Point	5,000
100200 Information Systems	56004 Computer Equipment	IS1005 Disaster Recovery Hdw For Ntwk	9,000
100200 Information Systems	56004 Computer Equipment	IS1008 Memory/Processor Upgrades	2,000
100200 Information Systems	56004 Computer Equipment	IS1009 Network Cards and Drives	2,000
100200 Information Systems	56004 Computer Equipment	IS1011 Telephone Parts/Equipment	90,000
100200 Information Systems	56004 Computer Equipment	IS1012 Switch Replacements	20,000
100200 Information Systems	56004 Computer Equipment	IS1015 Audio Visual Equipment	1,500
100401 Fire Operations	56002 Machinery and Equipment	FD4101 Replace of Fire Hose/Fittings	15,000
100401 Fire Operations	56002 Machinery and Equipment	FD4102 Replace of Hurst Rescue Equip	15,000
100401 Fire Operations	56002 Machinery and Equipment	FD4107 Replacement of nozzles and ada	8,400
100401 Fire Operations	56003 Office Furnishings and Equip	FD4100 Station Furniture	9,000
100401 Fire Operations	56099 Other Equipment	FD4109 Technical rescue supplies and	6,000
100401 Fire Operations	56099 Other Equipment	FD4110 Monitoring equipment	4,000
100401 Fire Operations	56099 Other Equipment	FD4111 Pager replacements	3,500
100510 Construction Services	56002 Machinery and Equipment	PS5100 Snow Plow Replace Blades	9,502
		TOTAL GENERAL FUND	217,902
ELECTRIC			
200520 Electric Administration	56004 Computer Equipment	EL1000 Computer and Printer Replacemt	12,480
200520 Electric Administration	56301 Capitalized Software	EL1000 Computer and Printer Replacemt	3,600
200521 Electric Operations	56001 Motor Vehicles/Replacements	EL2001 Replace 1910 Chevy Impala	25,000
200521 Electric Operations	56001 Motor Vehicles/Replacements	EL2002 Replace 1730 Ford F550	80,000
200521 Electric Operations	56203 Substation Capital Improvements	Sub 7 Load Relief	1,000,000
200521 Electric Operations	56203 Substation Capital Improvements	Split 12kv circuits at sub 3	500,000
200521 Electric Operations	56203 Substation Capital Improvements	OSI potential system upgrades	25,000
200521 Electric Operations	56204 Transmission Capital Improvements	Sub 9 (Duct and 35kV cable)	1,000,000
200521 Electric Operations	56206 Distribution Capital Improvements	Automation	500,000
200521 Electric Operations	56206 Distribution Capital Improvements	Standard Residential Cable Replacement	400,000
200521 Electric Operations	56206 Distribution Capital Improvements	Power Factor Correction Equipment	200,000
200521 Electric Operations	56206 Distribution Capital Improvements	Unplanned Equipment Failures	270,000
200521 Electric Operations	56206 Distribution Capital Improvements	Elliott switchgear replacements	70,000
200521 Electric Operations	56206 Distribution Capital Improvements	Overhead System Replacements	75,000
200521 Electric Operations	56207 Services/Upgrades	Resident/comm/industrial service/upg	35,000
200521 Electric Operations	56208 St Light/Traffic Signal	Unplanned Streetlight Replacements	30,000
200521 Electric Operations	56208 St Light/Traffic Signal	Concrete Pole Replacements	10,000
200522 Electric Meter	56001 Motor Vehicles/Replacements	EL9000 Replc 1938 Ford F350 Pick	35,000
200522 Electric Meter	56004 Computer Equipment	EL9004 Computer and Printer Replace	2,700
200522 Electric Meter	56301 Capitalized Software	EL9004 Computer and Printer Replace	600
		TOTAL ELECTRIC FUND	4,274,380
WATER			
210540 Water Administration	56004 Computer Equipment	WA1000 Computer & Printer Replacement	1,502
210540 Water Administration	56301 Capitalized Software	WA1000 Computer & Printer Replacement	1,000
210541 Water Operations	56211 District Reservoir & Standpipe	WA2010 10th St Tower Painting	250,000
210541 Water Operations	56209 Wells	WA2015 Convert Well #8 to Hypo	15,000
210541 Water Operations	56004 Computer Equipment	WA5004 SCADA Upgrade/Replacement	200,000
210541 Water Operations	56101 Land Improvements	WA5008 W Main to 17th St Parking Lot	412,823
210541 Water Operations	56101 Land Improvements	WA5019 Water MFT Repairs Contribution	115,000
210542 Water Meter	56001 Motor Vehicles/Replacements	WA7001 Replace 1802: 2003 Ford Van	44,500
210542 Water Meter	56004 Computer Equipment	WA7002 Computer & Printer Repl	4,017
210542 Water Meter	56301 Capitalized Software	WA7002 Computer & Printer Repl	750
		TOTAL WATER FUND	1,044,592
WASTEWATER			
220551 Wastewater Plant Operations	56201 Remodeling and Renovation	WW2006 East Final Clarifier Rehab	74,000
220551 Wastewater Plant Operations	56002 Machinery and Equipment	WW2007 Composite Samplers (2)	15,000
220551 Wastewater Plant Operations	56004 Computer Equipment	WW2008 SCADA Enhancements	135,000
220551 Wastewater Plant Operations	56002 Machinery and Equipment	WW2009 UVD Controller Replace	115,000
220551 Wastewater Plant Operations	56004 Computer Equipment	WW2012 Computer & Printer Repl/Plant	980
220551 Wastewater Plant Operations	56301 Capitalized Software	WW2012 Computer & Printer Repl/Plant	400
220551 Wastewater Plant Operations	56004 Computer Equipment	WW3002 Computer & Printer Repl/Lab	520
220551 Wastewater Plant Operations	56301 Capitalized Software	WW3002 Computer & Printer Repl/Lab	600
220552 Wastewater Collections	56101 Land Improvements	WW6007 4th and Indiana Street Project	227,262
220552 Wastewater Collections	56101 Land Improvements	WW6008 Sanitary Sewer MFT Funds	105,000
220552 Wastewater Collections	56002 Machinery and Equipment	WW6010 Easement Machine	80,000
220552 Wastewater Collections	56004 Computer Equipment	WW6011 Computer & Printer Repl/Collec	2,447
220552 Wastewater Collections	56301 Capitalized Software	WW6011 Computer & Printer Repl/Collec	1,000
		TOTAL WASTEWATER FUND	757,209

Fiscal Year 2015/2016 Capital

Accounting Unit	Account	Activity	Amount
MOTOR FUEL TAX			
350500 Motor Fuel Tax	56101 Land Improvements	MF1000 Annual Resurfacing Program	966,408
		TOTAL MFT FUND	966,408
CAPITAL PROJECTS FUND			
513400 Capital Projects/Fire	56099 Other Equipment	CP4009 SCBA Replacements	190,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5001 Concrete Program	330,000
513500 Capital Projects/Street/Bridge	56160 Constr Engineering/Capital	CP5001 Concrete Program	49,000
513500 Capital Projects/Street/Bridge	56101 Land Improvements	CP5008 Water Garden	10,000
513500 Capital Projects/Street/Bridge	56208 St. Light/Traffic Signal Capital	CP5014 Traffic Calming Device Install	12,000
513500 Capital Projects/Street/Bridge	56170 Other Engineering Svcs/Capital	CP5016 General Testing Services	22,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5700 MFT Storm Contribution	105,000
513501 Capital Projects/Storm	56101 Land Improvements	CP5701 Culvert Maintenance Program	20,000
513501 Capital Projects/Storm	56160 Constr Engineering/Capital	CP5701 Culvert Maintenance Program	8,500
513501 Capital Projects/Storm	56170 Other Engineering Svcs/Capital	CP5701 Culvert Maintenance Program	8,500
		TOTAL CAPITAL PROJECT FUND	755,000
INVENTORY			
800223 Inventory	56004 Computer Equipment	IN2000 Computer & Printer Repl/Inv	2,867
800223 Inventory	56301 Capitalized Software	IN2000 Computer & Printer Repl/Inv	1,300
		TOTAL INVENTORY FUND	4,167
FLEET			
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3021 Repl 1702 PD 26 2010 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3022 Repl 1712 PD 32 2010 Crown Vic	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3016 Repl 1768 PD 43 2009 Escape	35,000
801300 Motor Vehicle/Police	56001 Motor Vehicles/Replacements	MV3015 Repl 1931 PD 06 2008 CrownVic	34,000
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4006 Replacement Of Car 111 (Chief)	43,087
801400 Motor Vehicle/Fire	56001 Motor Vehicles/Replacements	MV4009 Replace Pumper 105	409,793
801512 Fleet Services	56004 Computer Equipment	FL5001 Computer & Printer Repl/Fleet	3,012
801512 Fleet Services	56301 Capitalized Software	FL5001 Computer & Printer Repl/Fleet	1,000
		TOTAL MOTOR VEHICLE REPL FUND	595,892
COMMUNICATIONS			
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1005 Copier Replace/Police IR1023	2,000
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1006 Copier Replace/Police IR5065	21,000
804200 Communications/Info Systems	56003 Office Furnishings and Equip	CO1007 Copier Replace/Police IR1023	2,000
804200 Communications/Info Systems	56004 Computer Equipment	CO2000 Computer Replacement Purchases	100,386
804200 Communications/Info Systems	56301 Capitalized Software	CO2000 Computer Replacement Purchases	32,000
804530 Communications/Fiber	56004 Computer Equipment	CO3010 Computer/Printer Replace Res	483
804530 Communications/Fiber	56301 Capitalized Software	CO3010 Computer/Printer Replace Res	300
804530 Communications/Fiber	56004 Computer Equipment	CO3011 Switch Replacement	5,000
804530 Communications/Fiber	56213 Fiber Optic System	CO3001 Sub 8 to Sub 2 Fiber Connect	20,000
804530 Communications/Fiber	56002 Machinery and Equipment	CO3015 IDOT Garage Gate and Door	18,200
		TOTAL COMMUNICATIONS FUND	201,369
		TOTAL CAPITAL	<u>8,816,919</u>

Appendix

<u>Debt Service Schedule</u>	<u>VII- 2</u>
<u>Employees Counts</u>	<u>VII- 3</u>
<u>Ratios of General Obligation Bonded Debt Outstanding</u>	<u>VII- 4</u>
<u>Ratios of Outstanding Debt by Type</u>	<u>VII- 5</u>
<u>Assessed Value and Actual Value of Taxable Property</u>	<u>VII- 6</u>

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Schedule of Existing and Planned Debt

Fund	Original		Issue Date	FY 12/13	FY 13/14	FY 14/15	FY 15/16
	Principal	Term					
Manion Property	1,050,000	10	2002	4,584	4,584	4,584	4,584
Total Corporate				4,584	4,584	4,584	4,584
2002 G. O. Bond - Little Woods Property	307,000	15	2002	23,098	23,186	-	-
2004 G. O. Bond - Century Station/PD Renovation	6,375,000	20	2004	358,480	358,620	358,420	362,570
2005 G. O. Bond - Public Works Garage	16,500,000	20	2005	1,307,500	1,277,500	1,297,500	1,290,500
2008 G. O. Bond - Fire Station, Truck/Riverwall	11,000,000	20	2008	937,046	936,086	933,386	935,256
2008 Revenue Bond - Costco.	8,935,000	16	2008	921,522	939,282	959,262	976,116
2009 G. O. Bond - Refunding Issue	3,156,550	5	2009	592,351	572,527	266,861	-
2010 G. O. Bond - Refunding Issue	4,305,000	5	2010B	927,576	940,776	924,026	932,150
2011A G. O. Bond - Capital Projects	3,999,780	20	2011A	290,389	287,988	289,141	290,210
2011B G. O. Bond - Refunding Issue	97,968	5	2011B	3,021	3,026	26,256	26,414
2011C G. O. Bond - Refunding Issue	2,885,000	13	2011C	117,321	105,326	105,326	105,326
2012 G. O. Bond - EAB	2,600,000	20	2012	325,000	325,000	325,000	325,000
2012 G. O. Bond - Redgate Bridge Project	4,210,944	20	2012	-	367,909	367,909	367,909
2012 G. O. Bond - Engineering Projects	1,059,000	20	2012	-	77,923	77,923	77,923
2013 G. O. Bond - Engineering Projects	3,628,000	20	2013	-	-	272,898	272,898
2014 G. O. Bond - Engineering Projects	1,268,266	20	2014	-	-	-	97,499
Total Debt Service Funds*				5,803,304	6,215,149	6,203,908	6,059,771
Foundry Reconstruction TIF Project (Refunding)	2,325,000	8	2009	339,338	336,156	334,388	341,776
St. Charles Mall TIF Project (Refunding)	1,920,000	12	2010	221,750	222,400	222,900	218,250
St. Charles Manufacturing TIF Project	3,090,000	15	2011	322,643	316,926	322,526	322,926
Hotel Baker TIF Project	2,615,000	11	2005	355,252	372,740	388,558	407,646
First Street Development TIF Project	10,000,000	20	2006	395,000	395,000	395,000	395,000
First Street Development TIF Project	4,470,000	20	2007	175,735	175,735	175,735	175,735
First Street Development TIF Project	3,530,000	20	2007	141,200	141,200	141,200	141,200
First Street Development TIF Project	10,810,000	20	2008	742,438	1,135,626	1,338,626	1,528,000
Total TIF Funds				2,693,356	3,095,783	3,318,933	3,530,533
IEPA - Lab Building	619,589	20	1992	22,600	-	-	-
IEPA - Westside Treatment Plant Phase 1&2	7,097,533	20	2000	467,079	467,079	467,079	467,079
IEPA - NPDES Compliance	10,000,000	20	2004	651,073	651,073	651,073	651,073
IEPA - WW Plant Construction	1,898,185	20	2011	92,536	97,892	97,892	97,892
IEPA - Bio-Solids Project	8,986,000	20	2012	-	603,951	603,951	603,951
Sewer 2007B G.O. Bond Issue	2,000,000	20	2007B	148,566	145,420	147,276	143,946
Sewer 2010A G.O. Bond Issue	1,467,914	20	2010A	110,178	110,136	109,799	109,438
Sewer 2011A G.O. Bond Issue	860,220	20	2011A	62,453	61,936	62,185	62,414
Sewer 2012 G.O. Bond Issue	550,000	10	2012	-	67,810	67,810	67,810
Sewer 2013 G.O. Bond Issue	550,000	10	2013	-	-	68,657	68,657
Sewer 2014 G.O. Bond Issue	625,000	20	2014	-	-	-	47,748
Water 2008B G.O. Bond Issue	1,830,000	20	2008B	136,854	133,966	136,078	137,986
Water 2010A G.O. Bond Issue	2,326,725	20	2010A	174,638	174,573	174,038	173,465
IEPA - Radium Removal Project	6,194,397	20	2011	285,213	285,213	285,213	285,213
Little Woods Property Agreement	913,776	8	2011	114,222	114,222	114,222	114,222
Water 2012 G.O. Bond Issue	1,080,000	20	2012	-	79,468	79,468	79,468
Water 2013 G.O. Bond Issue	1,870,000	20	2013	-	-	140,661	140,661
Water 2014 G.O. Bond Issue	675,000	20	2014	-	-	-	51,891
Electric 2002 G. O. Bond Issue	4,583,000	15	2002	344,702	346,014	-	-
Electric 2008C G. O. Bond Issue	2,369,800	20	2008C	198,760	195,520	197,280	198,766
Electric 2009 G. O. Bond Refunding Issue	1,213,450	5	2009	227,713	220,093	102,589	-
Electric 2010A G. O. Bond Issue	3,295,361	20	2010A	247,341	247,247	246,493	245,679
Electric 2011B G. O. Bond Refunding Issue	1,462,032	6	2011B	45,099	45,174	391,844	394,186
Electric 2012 G. O. Bond Issue	2,050,000	20	2012	-	150,843	150,843	150,843
Electric 2013 G. O. Bond Issue	550,000	20	2013	-	-	41,371	41,371
Electric 2014 G. O. Bond Issue	1,500,000	20	2014	-	-	-	115,314
Electric 2015 G. O. Bond Issue	3,000,000	20	2015	-	-	-	-
Total Enterprise Funds				3,329,027	4,197,630	4,335,822	4,449,073
Total Debt All Funds				11,830,271	13,513,146	13,863,247	14,043,961

*Debt service funded by transfers primarily from the General Corporate Fund.

Appendix
Full Time Equivalent Employees by Department

	Proposed FY 10/11	Proposed FY 11/12	Proposed FY 12/13
City Administrator	4.2	4.2	4.2
Finance	19.4	19.7	20.6
Community Development	14.5	14.4	13.0
Economic Development	3.0	3.0	3.0
Public Works	101.7	101.7	101.1
Human Resources	5.4	5.4	5.4
Police	70.7	70.3	70.8
Fire	59.5	53.5	51.2
Information Systems	11.6	11.6	11.6
Total FTE:	290.0	283.8	280.9

CITY OF ST. CHARLES, ILLINOIS

RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt		Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
		Service Fund				
2002	\$ 32,040,000	\$ 1,124,046	\$ 30,915,954	3.17%	\$ 1,100.13	
2003	35,360,000	1,202,790	34,157,210	3.18%	1,101.85	
2004	37,875,000	1,204,198	36,670,802	3.10%	1,151.94	
2005	42,135,000	490,610	41,644,390	3.34%	1,268.64	
2006	56,485,000	13,478	56,471,522	4.18%	1,720.33	
2007	70,185,000	1,084,365	69,100,635	4.73%	2,105.06	
2008	82,760,000	1,979,011	80,780,989	5.11%	2,460.88	
2009	92,395,000	903,486	91,491,514	5.55%	2,787.17	
2010	87,875,000	2,335	87,872,665	5.35%	2,676.92	
2011	90,225,000	10,342	90,214,658	5.47%	2,795.10	

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Assessed Value and Actual Value of Taxable Property on page 144 for property value data.

CITY OF ST. CHARLES, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of	
	General Obligation Bonds	Installment Notes Payable	Revenue Bonds	General Obligation Bonds	Installment Notes Payable	Revenue Bonds		Personal Income*	Per Capita*
2002	\$ 29,179,312	\$ -	\$ -	\$ 2,860,688	\$ 10,142,415	\$ 895,000	\$ 43,077,415	4.39%	\$ 1,532.89
2003	28,092,939	995,376	-	7,267,061	9,622,276	-	45,977,652	4.37%	1,483.15
2004	31,040,023	973,010	-	6,834,977	10,671,803	-	49,519,813	4.58%	1,555.56
2005	35,743,892	920,623	-	6,391,108	16,600,164	-	59,655,787	5.35%	1,817.33
2006	50,549,546	697,678	-	5,935,454	17,794,104	-	74,976,782	6.72%	2,284.07
2007	62,718,962	467,680	-	7,466,038	16,720,449	-	87,373,129	7.84%	2,661.71
2008	74,023,398	337,917	-	8,736,602	15,637,454	-	98,735,371	7.27%	3,007.84
2009	81,856,192	257,600	8,935,000	10,538,808	14,522,883	-	116,110,483	9.41%	3,597.42
2010	78,079,206	181,868	8,935,000	9,795,794	13,926,307	-	110,918,175	8.99%	3,436.55
2011	74,198,190	103,048	8,935,000	16,026,810	18,202,396	-	117,465,444	9.23%	3,562.37

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Demographic and Economic Information on page 154 for personal income and population data.

CITY OF ST. CHARLES, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2001	654,428,390	221,015,883	99,328,931	974,773,204	0.7260	2,924,319,612	33.333%
2002	737,062,340	229,901,820	106,413,084	1,073,377,244	0.7489	3,220,131,732	33.333%
2003	824,930,416	250,380,336	107,284,531	1,182,595,283	0.7506	3,547,785,849	33.333%
2004	876,989,053	260,848,331	109,413,588	1,247,250,972	0.7490	3,741,752,916	33.333%
2005	944,422,898	281,505,774	126,398,861	1,352,327,533	0.7537	4,056,982,599	33.333%
2006	1,007,971,270	317,706,581	135,486,864	1,461,164,715	0.7314	4,383,494,145	33.333%
2007	1,093,511,982	340,689,027	146,061,935	1,580,262,944	0.7300	4,740,788,832	33.333%
2008	1,130,538,083	363,806,483	154,181,792	1,648,526,358	0.7300	4,945,579,074	33.333%
2009	1,114,552,074	374,248,479	153,004,247	1,641,804,800	0.7300	4,925,414,400	33.333%
2010	1,044,846,020	354,606,287	148,675,847	1,548,128,154	0.7785	4,644,384,462	33.333%

Data Source

Office of the County Clerk

Note : Property in the City is reassessed each year. Property is assessed at 33% of actual value.

Glossary

Abatement - A partial or complete cancellation of a levy imposed by the City. Abatements usually apply to tax levies, special assessments and service charges.

Accountability - The condition, quality, fact or instance of being obliged to reckon or report for actions or outcomes.

Accrual basis of accounting – A method of accounting that recognizes financial transactions when they occur regardless of the time of the intake of cash.

Activity – A specific service performed by a component unit of a governmental organization that is responsible for a function such as police is an activity of the public safety function.

Agency Fund - A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.

Annexation - The incorporation of land into an existing city with a resulting change in the boundaries of that city.

Appropriation - A specific amount of money authorized by City Council to make expenditures and incur obligations for specific purposes, frequently used interchangeably with "expenditures."

Assessed Value - A valuation set upon real estate or other property by the Township Property Appraiser as a basis for levying taxes.

Asset allocation – The process to determine which types of investments are to be included in the composition of an overall investment portfolio.

Audit - A systematic collection of sufficient, competent evidential matter needed to attest to the fairness of the presentation of the City's financial statements. The audit tests the City's accounting system to determine whether the internal accounting controls are both available and being used.

Available Fund Balance - That portion of fund balance collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Balance Sheet - That portion of the City's financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.

Basis of Accounting - A term used when revenues, expenditures, expenses, transfers, assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on the cash, modified accrual or the accrual method.

Basis of budgeting – A method used to determine the recognition of Revenues and Expenditures for the budgetary process.

Benchmarking - Comparing one's own performance to that of their past performance or to that of comparable communities.

Bond - A written promise to pay a specified sum of money, called face value or principal, at a specified date in the future, called maturity date, together with periodic interest at a specified rate.

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and or bond conditions.

Bottom Line - This is a common expression, most often used in private industry that refers to the profitability of a particular organization or entity.

Budget - A comprehensive financial plan of operations which attempts to allocate limited revenues among competing expenditure requirements for a given time period.

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 limitations of authorized appropriations and available revenues.

Budget Revision - A change to the adopted budget as authorized by the City Council.

Business-type activities – One of two classes of activities reported on government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

CALEA - Commission on Accreditation of Law Enforcement Agencies.

Capital Budget - The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.

Capital Equipment - Equipment with a value in excess of \$20,000 and an expected life of more than five years such as automobiles, data processing equipment and furniture.

Capital Improvements - Charges for the acquisition at the delivered price including transportation costs, of equipment, land, buildings, or improvements of land or buildings, fixtures, and other permanent improvements with a value in excess of \$25,000 and a useful life expectancy of at least two years.

Capital Improvements Projects - An undertaking that has a specific objective, can be easily distinguishable from other work being performed, has a definite beginning and end, does not occur annually, and has a total cost in excess of \$100,000.

Capital Outlay - Expenditures that result in the acquisition of or addition to fixed assets.

Capital Projects Fund - Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Cash basis of accounting – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

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 balance of the highest interest and return, liquidity and minimal risk with these temporary cash balances.

Charges for Service - User charges for services provided by the City to those specifically benefiting from those services.

Commodities - Items which, after use, are consumed or show material change in, or an appreciable impairment, of their physical condition, and which generally have limited value and characterized by rapid depreciation.

Comparable Communities - Those communities, as designated by council, which contain some of the same characteristics as St. Charles. Comparative communities can be used as a "yardstick" in which to measure the policies and procedures of St. Charles.

Comprehensive Plan - An official public document adopted by a local government as a policy guide to decisions about the physical development of the community. It is a general long-range physical plan.

Constituent - One represented politically or in business; a voter; client.

Contingency - The appropriation of reserve funds for future allocation in the event specific budget allotments have expired and additional funds are needed.

Covenant - An agreement entered into by two or more parties. A covenant is entered into when a local government issues a bond. The terms of the bond issue must be clearly stated in the covenant.

Debt - A financial obligation resulting from the borrowing of money. Debts of government include bonds, notes, and land contracts.

Debt Ratio - Ratios that provide a measure of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They are used to evaluate the City's debt position over time and against its own standards and policies.

Debt Service - The payment of principal and interest on borrowed funds.

Debt Service Funds - Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit - The excess of expenditures or expenses over revenues or income during a single accounting period.

Department - An organizational unit responsible for carrying out a major governmental function, such as Finance or Public Works.

Depreciation - The decrease in value of physical assets due to use and the passage of time.

Discretionary Income - Income that is not specifically allocated for an expense and or income that allows for a certain level of "freedom" on how that money may be spent.

Elasticity - Increasing or diminishing readily in response to a changing stimulus. Sales taxes are very elastic because the amount of taxes collected increases with sales and decreases when sales are low. The

stimulus is the economy, which has a direct effect on the purchasing power of citizens, which translates into sales tax revenues.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Enterprise Fund - Used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the costs of providing goods or services are financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Equalized Assessed Value - The value of property resulting from the multiplication of the assessed value by an equalization factor to make all property in Illinois equal one-third of its market value.

Equalization Factor - A factor determined by the State which when applied to the counties' assessed value will cause all property to equal one-third of its market value.

Expenditures - Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental transfers.

Expenses - Charges incurred, whether paid or unpaid, resulting from the delivery of goods or services.

Facade - The front, visible part, or most conspicuous component of a building. St. Charles has implemented a facade improvement program for its downtown businesses, in an effort to revitalize the area.

Fiduciary Funds - Funds that are used when a government holds or manages financial resources in an agent or fiduciary capacity.

Fiscal Policies - The City's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year (FY) - Any consecutive twelve-month period designated as the budget year. The City's budget year begins May 1, and ends April 30 of the following calendar year.

Fixed Assets - Assets of a long-term character which are intended to continue to be held or used. Examples of fixed assets include items such as land, buildings, machinery, furniture, and other equipment.

Franchise Fee - A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include telephone, natural gas and cable television.

Full Time Equivalent (FTE) - A standardized unit of measure used to determine the equivalent number of full-time employees. It is calculated by dividing the total hours actually worked or planned for a job class (regular and overtime) by a standard number of hours a full-time employee would work for the job class.

Fund – Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities, residual equities, revenues, and expenditures, or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulation, restrictions, or limitations.

Fund Balance - The fund equity of governmental funds. Changes in fund balances are the result of the difference of revenues to expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues.

Generally Accepted Accounting Principles - Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

General Fund - The general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

General Obligation Bonds - Those bonds that are backed by the "full faith and credit" of a municipality. The taxing power of local government is pledged in the covenant of one of these bond issues.

Goal - A long-range desirable development attained by objectives designed to implement a strategy.

Governmental Fund Types - Funds that account for a government's "governmental-type" activities. These funds are the general fund, special revenue funds, debt service funds and capital project funds.

Grant - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity, or facility. Grants may be classified as either categorical or block, depending on the amount of discretion allowed the grantee.

Home Rule Municipality - A home rule unit may exercise any power and perform any function pertaining to its government and affairs including but not limited to the power to regulate for the protection of public health, safety, morals and welfare; to license; to tax; and to incur debt, unless preempted by the State of Illinois. A municipality is granted powers under home-rule if their population reaches 25,000 or by referendum.

Improvements - The necessary changes to a parcel(s) of land that is required for its future development. These often include modifications of the roadways, water and sewer mains, and the parcels capacity for electricity.

IMRF - Illinois Municipal Retirement Fund. Retirement system established for municipal employees of the state.

Income - A term used in proprietary fund type accounting to represent: (1) revenues; or (2) the excess of revenues over expenses.

Infrastructure - The permanent foundation or essential elements of a municipality. Roadways are a component of a local government's infrastructure.

Installment Contract - A financing method whereby the City contracts with a vendor to pay for equipment, an improvement, or construction over a period of time not to exceed ten years. The contractor makes an assignment of the rights to payment to a financial institution in return for payment of the original contracted price.

Interfund Transfer - Payment from one fund to another fund primarily for work or services provided.

Intergovernmental Revenues - Revenues from other governments in the form of grants, entitlement, shared revenues, or payments in lieu of taxes.

Internal Service Fund - Funds used to account for the financing of goods or services provided by one department to another on a cost reimbursement basis.

Investment - The placing of money, capital, or other resources to gain a profit, as in interest.

LEADS - Law Enforcement Agency Data System is a system used as a nationwide tool to track criminal activity, such as warrants for arrest and missing persons.

Levy - (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments or service charges imposed by the City.

Liability - Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date.

Line Item - A specific item or group of similar items defined by detail in a unique account in the financial records. Revenue and expenditure justifications are reviewed, anticipated and appropriated at this level.

Liquidity - The amount of cash and easily sold securities a local government has at one time.

Millage - The tax rate on real property based on \$1.00 per \$1,000 of assessed property value.

Mobile Data Terminals (MDT) - Mobile Data Terminals are terminals that will allow police officers instant access from the squad cars to the National Crime Information Center. This will allow the officer to immediately check on stolen property or check a warrant.

Modified Accrual Accounting - A basis of accounting in which revenues are recorded when collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period, and, expenditures are recognized when the related liability is incurred. Governmental fund types utilize this basis of accounting.

MFT - Motor Fuel Tax is a tax on fuel consumption. Distribution of the tax collected is based on population. There are also state-funded programs for street resurfacing, curb and gutter work and storm sewer work.

Net Income - Proprietary fund excess of operating revenues, non-operating revenues, and operating transfers-in over operating expenses, non-operating expenses, and operating transfers-out.

Non-operating Expenditures - The costs of government services which are not directly attributable to a specific City program or operation. Examples include debt service obligations and contributions to Human Service organizations.

Non-operating Revenues - The incomes received by the government, which are not directly attributable to providing a service. An example would be interest on investments.

Objective - Something to be accomplished in specific, well-defined, and measurable terms and is achievable within a specific time frame.

Operating Budget - A financial plan that presents proposed expenditures for the fiscal year and estimates of revenue to finance them.

Part I Offenses - According to the Uniform Crime Report of the Federal Bureau of Investigation, these offenses include murder, manslaughter, rape, robbery, assault, and property crimes of burglary, larceny-theft, motor vehicle theft, and arson.

Part II Offenses - These are all criminal offenses that are not categorized as a Part I offense.

Performance Budget - A budget that focuses on activities rather than line items. Work load and unit cost data are collected in order to assess the efficiency of services.

Performance Indicators - Specific quantitative and qualitative measures of work performed as an objective of the department.

Portfolio - A compilation of investments held by an entity.

Privatization - The transfer of services from the public sector to the private sector in an attempt to save tax dollars. This has been done to varying degrees and levels of success across the country.

Private Sector - Business owned and operated by private individuals, as opposed to government-owned operations.

Public Sector - The policies and procedures as conducted by local governments, states and the federal government. The majority of these activities are financed through tax levies.

Program - An organized set of related work activities within a Bureau of a department, which are directed toward a common purpose or goal and represent a well-defined use of City resources. Each City department usually is responsible for a number of related service programs.

Program Budget - A budget that structures budget choices and information in terms of "programs and their related" work activities, (i.e., repairing roads, treating water, etc.). A program budget provides information on what each program is committed to accomplish in the long run (goals) and in the short run (objectives), and measures the degree of achievement of program objectives (performance measures).

Property Tax - A tax levied on the assessed value of real property (also known as "ad valorem taxes").

Proprietary Fund Types - The classification used to account for the City's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds). All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The Generally Accepted Accounting Principles used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position. However, where the Governmental Accounting Standards Board has issued pronouncements applicable to those entities and activities, they should be guided by these pronouncements.

Referendum - The submission of a proposed public measure or law, which has been passed upon by legislature or convention, to a vote of the people for ratification or rejection.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from earnings of a specific, defined activity or facility which can be public, quasi-public, or private.

Retained Earnings - An equity account reflecting the accumulated earnings of the City's proprietary funds.

Revenues - Funds that the government receives as income. It includes such items as tax receipts, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

SCADA - Supervisory Control and Data Acquisition. Computer controlled system operation and information in regards to the city's electrical and water system.

SEA Reporting - Service Efforts and Accomplishments Reporting. This is a highly structured form of performance reporting as developed by the Governmental Accounting Standards Board (GASB).

Special Assessment Bond - Bonds payable by property owners to defray the cost of a specific capital improvement deemed to benefit primarily those properties. Each property is responsible for an amount determined to be equal to the benefit received.

Special Revenue Funds - Funds used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Special Service Area Bond - Bonds payable by property owners to defray the cost of a capital improvement or City services above those typically provided deemed to benefit primarily those properties. Each property owner is responsible for an amount equal to the value of their property compared to all others.

Tax Levy - The total amount to be raised by general property taxes for operating and debt service purposes.

Tax Rate - The amount of tax levied for each \$100 of assessed valuation.

Tax Increment Finance District (TIF) - A special district established to revitalize a degenerating parcel of land/building funded through incremental property taxes.

Trust and Agency Funds - Funds used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Unearned revenue – Specific type of deferred revenue that does not involve the application of the availability criterion, and therefore applies equally to both accrual and modified accrual financial statements.

User Fees – A fee charged for receipt of a public service to the party who benefits from the service

Working Capital - This term generally refers to current assets minus current liabilities. Some organizations may exclude certain current assets (e.g. inventory) from this general formula.

Yield - The yield on a fixed-income security is its current rate until maturity, based on its face value, its current market price and any interest coupons.