

City of St. Charles

**Budget
2018-2019**



Budget Summary

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City of St. Charles Officers and Officials As of April 1, 2018

Mayor

Raymond P. Rogina

City Administrator

Mark W. Koenen

City Council

Dan P. Stellato	Ward 1	William Turner	Ward 3
Ronald Silkaitis	Ward 1	Lora Vitek	Ward 4
Arthur Lemke	Ward 2	Steven Gaugel	Ward 4
Rita Anne Payleitner	Ward 2	Maureen Lewis	Ward 5
Todd Bancroft	Ward 3	Ed Bessner	Ward 5

City Treasurer

Jo K. Krieger

City Clerk

Charles Amenta

City Attorney

John McGuirk

Department Heads

Christopher A. Minick	<i>Director of Finance</i>
Peter Suhr	<i>Director of Public Works</i>
Rita Tungare	<i>Director of Community & Economic Development</i>
Joseph R. Schelstreet	<i>Fire Chief</i>
Larry Gunderson	<i>Director of Information Systems</i>
James Keegan	<i>Police Chief</i>
Jennifer McMahan	<i>Director of Human Resources</i>



City of St. Charles Budget Message and Overview FY 2018-2019

The mantra for anyone who ever works on budget is “this year’s budget is really tight”! My response to that is, “so what else is new”! Well, guess what? The City is slowly moving beyond a sluggish economy, but the cost of doing business and the more hopeful economy has bolstered expectations that result in this budget being a challenge. Why is that?

- 1- The revenue projections for FY 2017-18 generally match the actual revenue income for FY 2007-08. By the way, we have not made any projections adjusted for inflation. The expenditures generally track less than the available revenue and this year’s expenditures generally intersect with anticipated revenue. The days of deferring projects or cutting back services to balance the budget are perhaps over. We have been successful to date because we deferred work, much to the credit of the Council:
 - a. Allowing employees to be creative;
 - b. Encouraging processes be re-engineered, and;
 - c. Funding technology that allows for work to be performed smarter.

- 2- The general public in 2018 is expecting more. When the economy was depressed, we chose to defer or slow existing programs (example: Spring Clean Up, traditionally an annual program, is now a program offered on alternate years) and say “no” to initiatives that expanded expenses. This worked and the general public understood. The City held the line on the proverbial property tax amount to \$12,055,000 for 9 years. Today, we find ourselves at cross-roads. The general public believes there is an improved economy. The public expects a more robust budget. The general public wants to see streets maintained, drainage improvements attended to, instant information with responses to inquiries and secure e-communications (related to e-payments and sensitive personal information) and all the latest equipment related to emergency services. However, our revenue stream is no stronger today than it was in 2008 and now is the time to take steps to prepare for our future.

So how does a local government find the balance between fiscal responsibility and citizen expectations? Short of a tedious review of the FY 2018-2019 budget, the following summarizes key elements. The budget does NOT include all capital projects the City needs to attend to. This budget does spend down one-time “savings”. This budget does include modest utility rate increases. This budget is balanced with spending cuts and no new proposed revenues.

Background- We have discussed on various occasions recovery from the recession. The **Strategic Plan** was approved in 2016 and many of the goals focused on financial and economic development initiatives.

The number one *short-term complex goal* was:

Develop a comprehensive City short-term and long-term financial assessment with the aim of developing a path to financial independence from State Funding, as needed. A study



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should include consolidation opportunities, capitalizing on grant funding and developing creative revenue sources.

The number one *short-term routine goal* was:

Actively promote and facilitate development of our commercial assets including Pheasant Run, Old St Charles Mall and The Quad.

The number one *long-term complex goal* was:

Complete our Downtown-First Street projects.

The number one *long-term routine goal* was:

Develop three (3) new revenue sources in five (5) years (excluding taxes) “Three in Five Program”.

These four primary goals in the Strategic Plan could be summarized in the phrase, independent municipal financial plan complemented with economic development.

Analysis- Acknowledging the four key goals all noted above, what is included in the FY 2018-2019 budget that works to advance these goals forward.

Short-term complex and long-term routine goals: the City is advancing a balanced budget. This is the first step in the annual recognition of financial accountability. The City understands it must “live within its means”. The budget is the tool for deciding what projects and programs are important priorities and the funding advances these initiatives. In the FY 2018-2019 budget, we’ve chosen to not implement a new revenue source. There is recognition of the lost revenue from the State Local Governmental Distributive Fund (LGDF) and the approximate \$450,000 impact on the General Fund. This impact will need to be addressed in the future, and consistent with our goals. The proposed budget commits human resources and funding to outside agencies to study the opportunity for improved efficiencies through consolidation of efforts and workflow. The budget is built on opportunity for grant income; meaning projects may proceed if grant income is an element of the capital program.

Short-term routine and long-term complex goals: The City is actively working to promote economic development. The Community & Economic Development, Finance and Public Works departments are actively engaged in encouraging economic growth. Examples of these activities in the FY 2018-2019 budget are:



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1. Old St Charles Mall, now re-branded as Prairie Center. In FY 2017-2018, a PUD was approved providing for a mixed-use development. The City also partnered to encourage this economic engine serving the south west side of the community with the sharing of costs, a FY 2017-2018 budget item related to water main and sanitary sewer improvements. Finally, the City is a partner with the development community to creatively attract senior affordable housing using tax credits offered by the State of Illinois.
2. The Quad in FY 2017-2018 presented a concept plan for a mixed-use development serving the north east side of the community. The City will continue in FY 2018-2019 to encourage and advance this concept with an incentive.
3. Downtown First Street Project. The First Street development is completing the final stage of Phase III in FY 2018-2019. The budget for FY 2018-2019 includes the solicitation of a developer to construct the last three buildings of the First Street development. Work for this final phase would commence in FY 2019-2020. Additionally, the FY 2018-2019 budget includes funding for the next phase of downtown development identified with a mini-comprehensive plan update for the downtown that focuses on the impact of the Active River Development. This mini-comprehensive plan will become the outline for direction for the next step in the re-boot for downtown St Charles.

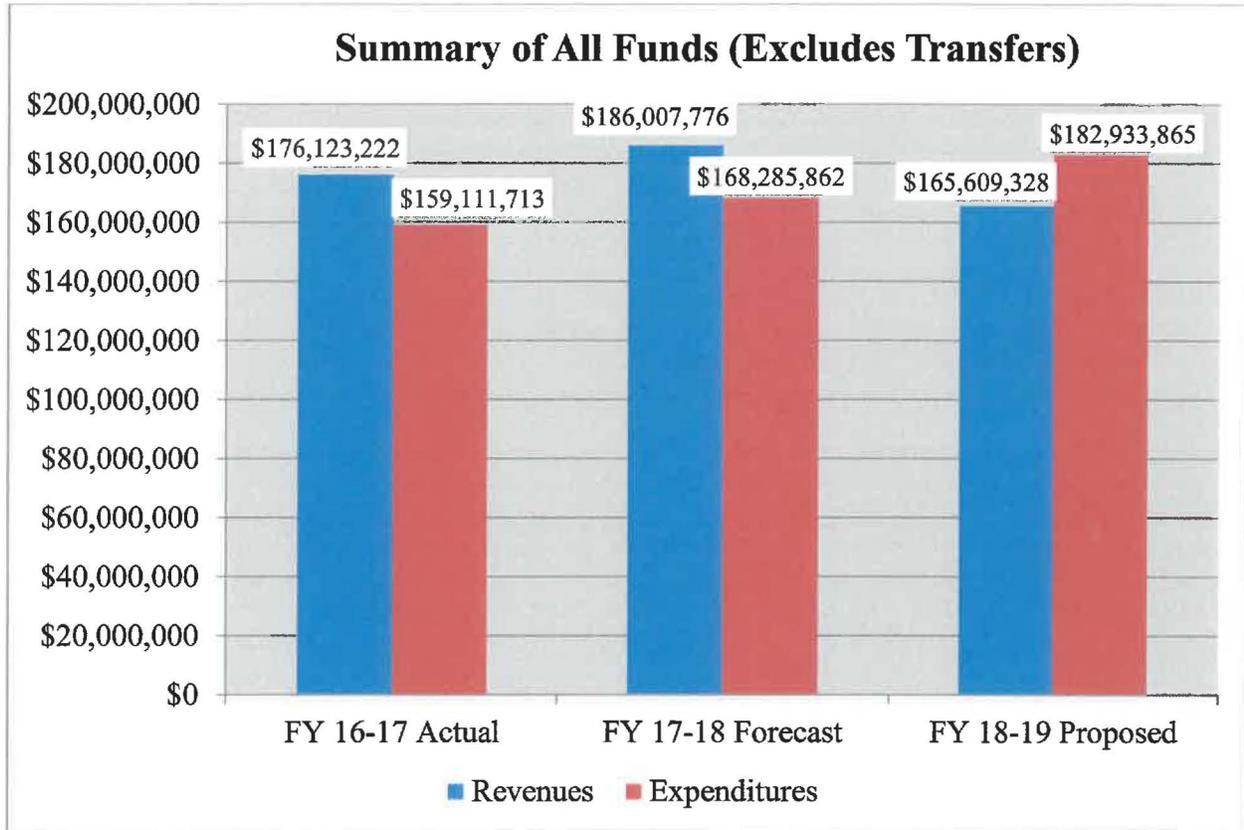
Summary of City-Wide Budget

At the time the FY 17-18 budget was approved, it was projected that the City would have total revenue of \$161.0 million and expenditures of \$158.7 million (excluding transfers). The City expects to close FY 17-18 with \$186.0 million in revenue and \$168.3 million in expenditures (excluding transfers). The change from original budget to current forecast for revenues is primarily due to an increase in Capital Financing Proceeds for two major projects: construction of a new Police Station and the Wastewater Phosphorus Removal and Digester Improvement project. The change from original budget to current forecast for expenditures is due to the combining of the Wastewater Phosphorus Removal and Digester Improvement projects. These projects were budgeted in separate years but were later combined in order to take advantage of mobilization cost savings. Although bonds will be issued for the Police Station project in FY 17/18, construction is budgeted in FY 18/19. In addition, there were several uncompleted capital projects that were budgeted in a previous year and then carried forward to FY 17-18.

For FY 18-19, the City is projected to have \$165.6 million in revenue and \$182.9 million in expenditures for all funds, excluding inter-fund transfers. The largest funds are General, Electric, Water, and Wastewater. Combined, these funds represent 71.0% of the total budget, excluding transfers.



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The City’s largest source of revenue is fees and user charges which are collected from customers for utility services – water, sewer, and electricity. The largest source of non-user fee revenue is sales tax, followed by property tax revenue. The following table 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, and other miscellaneous sources.



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REVENUE - ALL FUNDS (Excludes Transfers)				
	17/18 Budget	17/18 Forecast	18/19 Budget	% Change (Budget vs. Forecast)
Revenues:				
Property Tax	\$ 14,191,820	\$ 13,901,954	\$ 14,145,325	1.8%
Sales & Use Taxes	18,871,596	18,536,222	19,004,362	2.5%
Franchise Fees	3,927,453	3,623,685	3,951,640	9.1%
Hotel Tax	1,959,118	1,884,624	1,984,953	5.3%
Other Taxes	2,189,241	2,115,384	2,156,363	1.9%
Charges for Services	78,995,823	78,487,406	80,639,879	2.7%
Licenses & Permits	550,876	730,867	713,057	-2.4%
Intergovernmental	4,971,118	4,549,831	4,711,187	3.5%
Pension Contributions	5,127,721	5,031,087	5,722,346	13.7%
Financing Proceeds	12,853,468	36,930,265	14,955,081	-59.5%
Other	17,382,144	20,216,451	17,625,135	-12.8%
Total	\$161,020,378	\$186,007,776	\$165,609,328	-11.0%

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 General Government and then Public Works.

EXPENDITURES - ALL FUNDS (Excludes Transfers)				
	17/18 Budget	17/18 Forecast	18/19 Budget	% Change (Budget vs. Forecast)
Expenditures:				
General Government	\$ 19,765,505	\$ 19,476,603	\$ 22,688,843	16.5%
Public Health & Safety	29,884,044	32,952,083	51,814,934	57.2%
Public Works	17,587,601	15,617,204	16,433,907	5.2%
Public Utilities	88,138,427	96,914,456	86,629,608	-10.6%
Community Development	3,355,557	3,325,516	5,366,573	61.4%
Total	\$ 158,731,134	\$ 168,285,862	\$ 182,933,865	8.7%

The increase in FY 18/19 budgeted General Government expenditures over the FY 17/18 forecast is mainly due to additional debt service on the bonds the City issued for the Police Station building construction. The increase in Public Health & Safety is due to budgeted capital expenditures for the construction of the new Police Station as well as increases in contributions to the Police and Fire Pension Funds. Community Development budgeted expenditures have

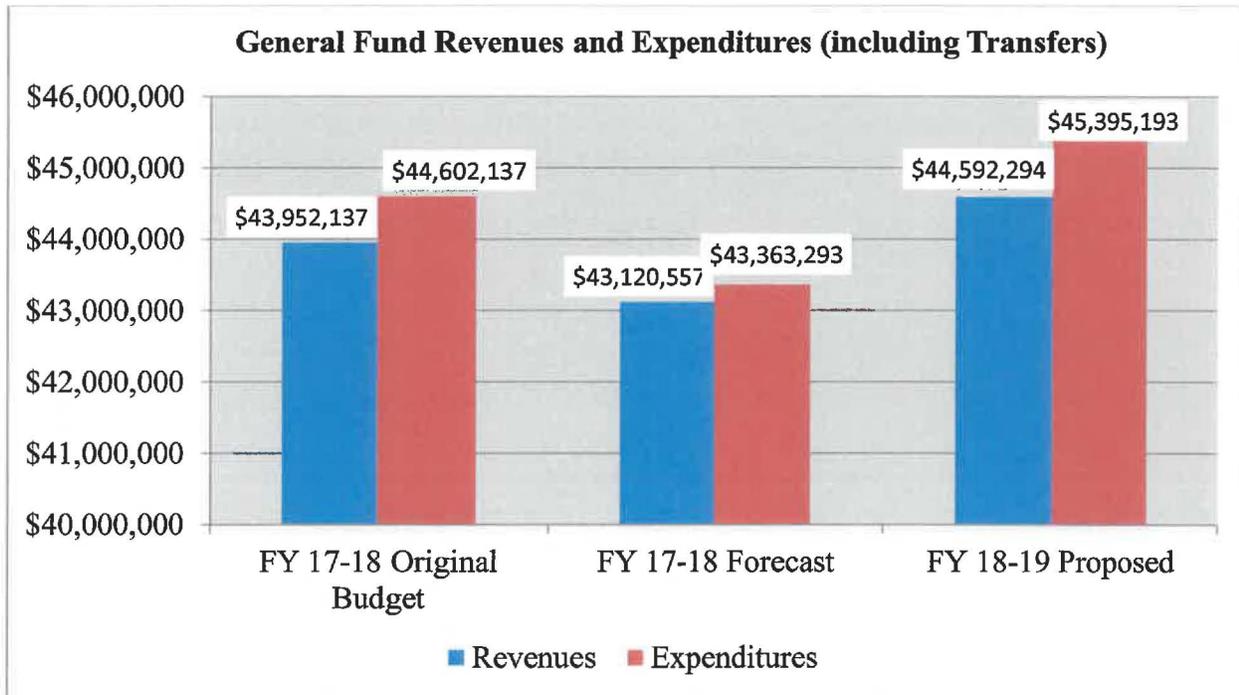


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increased over the current year forecast due to capital expenditures for the City's TIF #7 streetscape and riverwalk improvements.

Summary of General Fund

The City expects to close FY 17-18 with a deficit in the General Fund (the fund that accounts for the vast majority of the City's operations) of approximately \$242,736. This compares to a deficit of \$650,000 when the FY 17-18 budget was approved. The reason for the change between the budgeted deficit and the projected deficit is mainly due to overall expenses coming in below budget. Consistent with prior practice, certain specific contractual service projects that did not get underway this fiscal year will be pushed into FY 18-19.



For FY 18-19, it is projected that revenue in the General Fund will be \$44.6 million or approximately 1.5% higher than what was budgeted for FY 17-18. For FY 18-19, the City estimates property tax revenue will essentially remain in line with FY 17-18. This includes property taxes collected under the City levy as well as under the various Special Service Area (SSA) levies. For the 2016 tax levy, the City Council elected to keep the City's operating levy at \$12,055,000, the same level as the 2009 tax levy. For the upcoming 2017 tax levy year, the EAV is estimated to be approximately 3.0% higher than the EAV from the 2016 tax levy, and the dollar amount of the 2017 levy is anticipated to remain frozen at \$12,055,000.



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GENERAL FUND REVENUES (Includes Transfers)			
	<u>17/18 Budget</u>	<u>17/18 Forecast</u>	<u>18/19 Budget</u>
Property Tax	\$ 12,498,375	\$ 12,389,897	\$ 12,457,873
Sales & Use Taxes	17,766,634	17,534,129	18,029,362
Hotel Tax	1,885,532	1,884,624	1,984,953
Other Taxes	2,191,261	2,116,464	2,158,403
Franchise Fees	3,927,453	3,623,685	3,951,640
Licenses & Permits	550,876	730,867	713,057
Intergovernmental	3,813,118	3,345,801	3,597,187
Charges for Services	466,805	530,821	592,720
Other	852,083	964,269	1,107,099
	\$43,952,137	\$43,120,557	\$44,592,294

Sales and Use Taxes, Hotel Tax, Franchise Fees, Licenses, Charges for Services and Other Revenues are all expected to see modest increases, as compared to the FY 17-18 budget.

The chart below depicts sales tax collections over the last seven completed fiscal years. As illustrated, sales taxes have rebounded from the recession time period low that began in FY 09-10. The FY 18-19 budget includes a 2.5% and 3.6% projected increase in state and home rule sales tax, respectively, over the FY 17-18 forecasted revenue, as the City is anticipating continued growth in general economic activity, particularly in automotive sales.

Sales Tax Collections - State and Home Rule Last 7 Completed Fiscal Years			
Fiscal Year	Collections	\$ Increase/ Decrease	% Increase/ Decrease
2010/2011	\$ 14,380,935		
2011/2012	15,135,809	754,874	5.2%
2012/2013	15,210,034	74,225	0.5%
2013/2014	15,423,167	213,133	1.4%
2014/2015	16,348,053	924,886	6.1%
2015/2016	16,984,167	636,114	4.2%
2016/2017	17,089,227	105,060	0.7%



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Expenditures (excluding transfers) in the General Fund for FY 18-19 are budgeted at \$38.8 million. This represents a 1.82% increase from the original FY 17-18 budget. Personal Services, which represents nearly two-thirds of the General Fund's total expenditures, are budgeted to increase a little under 3.0% from the FY 17-18 budget. This is primarily due to increases in pension costs as well as contractual increases in labor costs.

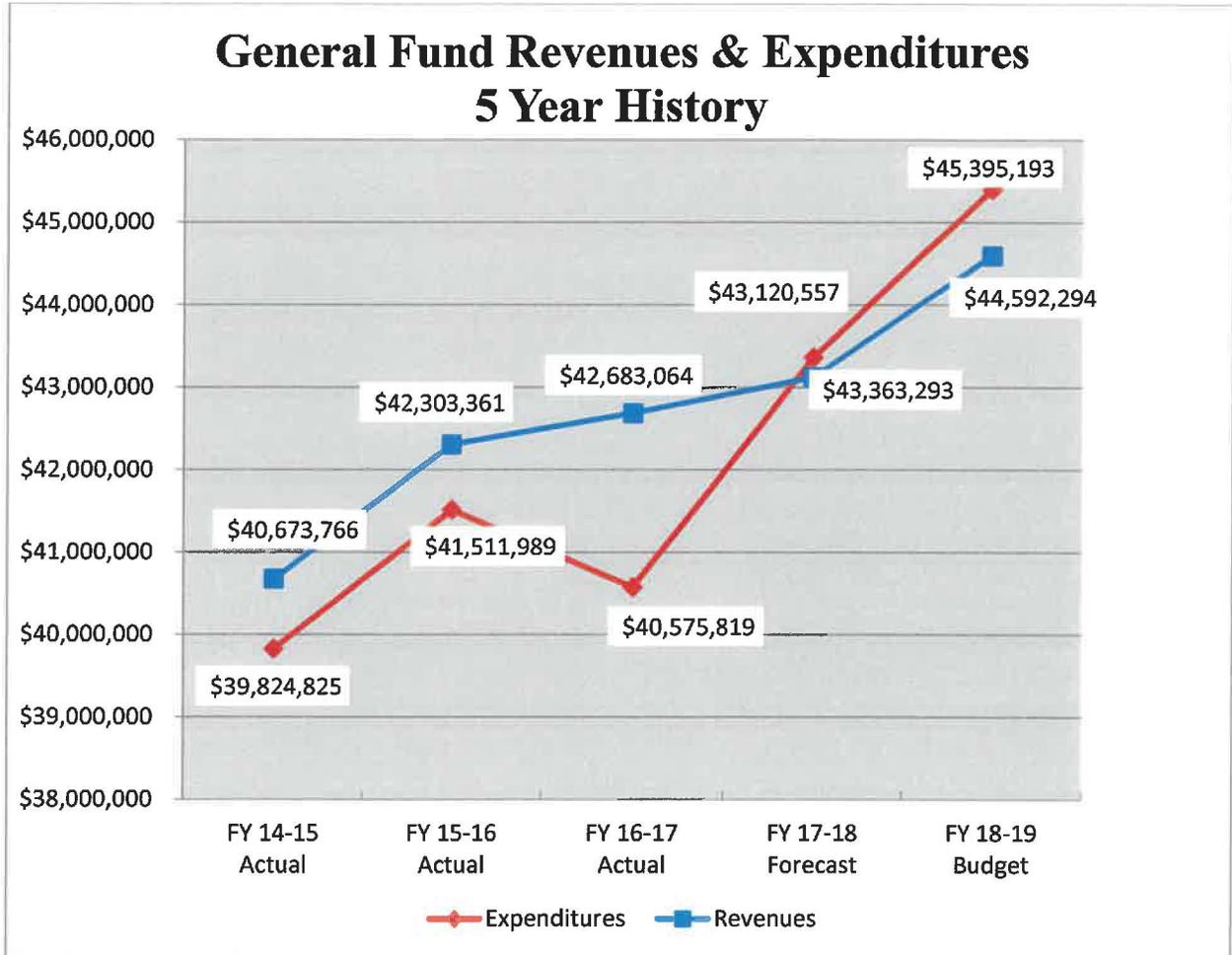
The following charts provide detail on General Fund expenditures, including transfers, by account type as well as by function, or purpose.

GENERAL FUND EXPENDITURES BY ACCOUNT TYPE (Includes Transfers)			
	<u>17/18 Budget</u>	<u>17/18 Forecast</u>	<u>18/19 Budget</u>
Personal Services	\$ 30,003,305	\$ 29,409,007	\$ 30,878,484
Other Operating	13,119,778	12,362,429	13,005,412
Allocations	(5,043,350)	(5,126,250)	(5,157,192)
Capital	53,450	146,320	100,850
Debt Retirement	4,586	4,586	4,586
Transfers - Debt Service	3,490,429	3,645,493	4,314,294
Transfers - Other	2,973,939	2,921,708	2,248,759
Total	\$ 44,602,137	\$ 43,363,293	\$ 45,395,193

GENERAL FUND EXPENDITURES BY FUNCTION (Includes Transfers)			
	<u>17/18 Budget</u>	<u>17/18 Forecast</u>	<u>18/19 Budget</u>
General Government	\$ 3,560,159	\$ 3,441,356	\$ 4,568,484
Public Health & Safety	23,710,052	23,179,068	24,292,389
Public Works	8,190,445	7,595,248	7,032,358
Community Development	2,677,113	2,580,420	2,938,909
Transfers	6,464,368	6,567,201	6,563,053
Total	\$ 44,602,137	\$ 43,363,293	\$ 45,395,193



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Highlights of Departmental Activities

From an operational standpoint, the City of St. Charles will undertake several key initiatives in the upcoming fiscal year. Provided below are summaries of key departmental initiatives:

PUBLIC WORKS DEPARTMENT

The Public Works Department continues its focus on best value reliable service delivery and infrastructure enhancement.



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Electric Services Division

For the FY 18/19 budget, the Electric Services Division continues to work on a number of projects that improve reliability and provide greater contingency options during emergencies. The Division has completed testing of over 2,000 wood poles and is working on replacing over 200 poles with identified decay. Additionally, multiple projects in the southeast quadrant of the City are being designed to reinforce heavily loaded circuits. Lastly, the Division will be seeking a consultant to prepare and then evaluate a Request for Proposal to vendors in the Advanced Metering Infrastructure industry to design a path to AMI deployment on our electric and water meters.

Environmental Services Division

In FY 18/19, the Environmental Services Division will be continuing the construction and rehabilitation of the Digesters at the main waste water treatment plant and implementing a permit mandated Phosphorus removal project that IEPA is requiring to be completed by June of 2018. The construction of the combined Phosphorus and Digester Rehab project is expected to end March 2019. The Water Division will be completing the painting of Campton Hills Water Tower. The project will include a full paint removal on the exterior and internal wet surface areas. As part of the paint removal and repainting process the contractor will be required to cover the tower with a curtain. The curtain is to eliminate any drifting materials during the paint removal and repainting process. In addition to the painting of the tower the project will require some additional repairs or installations. Some of those requirements include roof vents, aviation lights and other installations to meet current OSHA safety standards. The project will begin with open bids in April of 2018 and finish with complete painting by September 2018.

The Dunham Road Sanitary Sewer Force Main is budgeted for replacement. This line has experienced 3 pipe line breaks over the last three years. All of the breaks were due to pipe corrosion. The force main starts at Royal Fox Lift Station #2 near Muirfield Ct it runs south until it crosses Dunham Road to the East and transitions to a gravity line in front of St Charles East High School. Crawford, Murphy and Tilly (CMT) completed an evaluation of the force main in August 2016. The conclusion of the study listed several options for maintenance and replacement of the force main. Due to the cost and the expected life of each option it was determined full line replacement was the best value for the City. The project will abandon approximately 2,800 feet of 8" force main, currently located within the Dunham Road right-of-way, adjacent to a 12" gas main, and residential area. Due to the sensitivities of these areas, safety and low disturbance construction methods will be explored.

Engineering Division



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The Public Works Engineering Division continued to work on the 7th Avenue Creek and 7th Avenue Creek Tributary project in FY 17/18. The Master Plan Development identified what the area could look like in the future and identified specific projects to help mitigate flooding in this area. The work completed included purchase of properties, design engineering, and completion of an approved IEPA watershed plan. Additional stormwater initiatives included completion of an approved IEPA watershed plan and stormwater plan for the State Street Creek watershed.

As part of the City's commitment to maintaining public roadway infrastructure, in FY 17/18 the City improved 2.63 miles of roadways through resurfacing of a variety of streets and resurfacing/base reclamation of S. 37th and S. 38th Avenues (from Illinois Avenue to Ohio Avenue). The City applied for and received a grant through the Kane County Community Development (KCCD) Fund in the amount of \$220,000 to assist in the costs of improvements to S. 13th Street, S. 14th Street and Fellows Street. The Engineering Division team worked to develop a roadway maintenance program that will aim to extend the life of roads through variety of roadway maintenance strategies. In FY18/19 the City will be resurfacing and completing full depth reclamation of 3.68 miles of roadway. The proposed improvements typically include roadway resurfacing, curb and gutter repairs and ADA sidewalk improvements. The 2018 roadway programs will be funded through Motor Fuel Tax Funds, utility funds and bonds.

Public Services Division

In FY 17/18 the Department's Public Services Division focused on enhancing its existing maintenance and beautification programs. The Public Services team continued to work with Engineering Division staff to develop a roadway maintenance program that extends the life of roads through a combination of contractual and in-house patching operations. During the construction season there was a heavy focus on sidewalk maintenance and repair, with significant progress made through a combination of mud-jacking, sidewalk cutting, and square replacement. In addition, the division did its part to impress the "America In Bloom" judges by enhancing the streetscape and flower beds in the downtown business district. Also, the Public Services Division maintained an effective snow and ice program, utilizing sustainable anti-icing techniques to maintain the City's 166 centerline miles of roadways.

During the coming fiscal year (FY 18/19) the Public Services Division will continue to remain focused on Right-of-Way maintenance in all sections of the City. Activities such as sidewalk repairs, curb and gutter repairs, and asphalt and concrete roadway patching will continue to be a strategic priority within the Engineering Division. Concurrently, roadway maintenance work, storm sewer maintenance activities such as storm line flushing, televising and catch basin cleaning will be performed within an established maintenance cycle. Efforts will be advanced to replace sections of storm sewer in the Renaux Manor subdivision that has been impacted by hardened sediment. In addition, the City's forestry program will progress in concert with the recommendations of the Urban Forestry Master Plan.

Police Department Project



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Over the past several years, City staff has realized a sharp increase in maintenance activities for the Police Facility attributed to several interior and exterior deficiencies. In addition, Police management staff has identified several operational deficiencies attributed to the layout and space constraints of their facility. Recognizing this, the City Council authorized a comprehensive study of the entire Police Facility and operations, which was completed in FY 15/16. The study included an Exterior and Interior Conditions Report, Air Quality/Environmental Review, Historical Preservation Study, Site Survey, Space Needs Assessment, Site & Building Appraisal, Master Plan/Concept Studies and Cost Estimates.

Based on the results of the comprehensive study, City Council directed staff to proceed with the Design of a new Police Facility to be located on an alternative site from its current location. In FY17/18, City staff hired FGM Architects to find an alternative site for the new facility, develop design concepts and prepare construction documents & specifications for anticipated bid and construction in FY18/19. The project team was successful in finding an alternative site at the Valley Shopping Center and has hired a Construction Management Company, Riley Construction, to construct the new building starting in FY18/19, with completion in the fall of 2019.

INFORMATION SYSTEMS DEPARTMENT

The Information Systems and Finance Departments teamed in FY 17-18 to implement a new online utility payment portal that provided increased payment options and a mobile device-friendly interface for the City's residents. Other City website enhancements included an upgrade to the My Neighborhood application that was originally released in 2009. The My Neighborhood application provides residents and website visitors with tools to view basic property-based information such as zoning, taxing districts and utility services. Also in FY 17-18, in a joint effort with the Human Resources Department, Information Systems staff implemented a new online job application system that streamlines the application process for both job candidates and Human Resources staff.

Information Systems worked together with staff from the Community and Economic Development Department and City Administration to launch the Think St. Charles website, a resource for business owners looking to start up or expand an existing business in St. Charles.

The Information Systems Department led several software requirements development initiatives for the City's enterprise applications (such as utility billing, asset management, and community development systems). The objective of the initiatives is to ensure that all of the needs of City staff, and the residents that are supported by the applications, are met. With the development of software requirements completed, the City will release a Request for Proposal (RFP) in FY 18-19 to purchase an integrated suite of software applications that support the City's core business processes.

HUMAN RESOURCES DEPARTMENT



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Although an internal services provider, Human Resources' mission also is to serve the citizens of St. Charles. It is this Department's job to ensure that all City employees are ready, able, and willing to provide high service levels to our residents. In order to best serve the broader community, Human Resources is tasked with executing a recruitment process that attracts top candidates, providing quality and fiscally responsible compensation and benefits to retain and motivate highly qualified employees, improving City services by training and developing employees, and partnering with other departments to engage and motivate their workforce in carrying out the City's mission.

In collaboration with the Information Systems Department, Human Resources began implementation of a new online applicant tracking system that will save money and staff time, as well as offer job candidates a more professional, user-friendly, and comprehensive experience. Human Resources received 2,100 job applications in 2017, and with this new software, the Department is confident that applicants, supervisors, and hiring managers will experience increased efficiency in the City's hiring and onboarding processes.

Human Resources facilitated a compensation study, engaging an expert consultant who enabled elected officials and employees to understand and evaluate the City's compensation philosophy and plan for attracting, retaining, and motivating quality employees. The results of this study led to more transparency in the City's compensation system, so elected officials, citizens, and employees understand how the City's compensation works and what it's designed to accomplish. Council approved new criteria to select comparable communities and directed staff to evaluate the system every three years. The overall result of the study was an affirmation that the City's compensation plan is meeting Council's commitment to hire and retain qualified, motivated employees at all levels in the organization.

A major component of the City's benefit package is health insurance. As a self-insured entity, the City has done well to control health insurance costs, keeping expenditures below the national average. For 2018-19, the City has begun to creep closer to that average with a projected increase in the health insurance budget of 3.8%. This is due primarily to an increase in high claims, closely mirroring the national average; while in years past the City was far below the average high claim watermark. For fiscal year 2018/19, the City is offering a high deductible health plan (HDHP) and health savings account (HSA) that will better meet the needs of some employees and have a longer term goal of achieving cost savings. Human Resources is proactive about providing money-saving education and tools that enable employees to be savvy healthcare consumers, saving them and the City money. These tools will pair well with the new HDHP/HSA. In reinstating the employee-represented health insurance team, Human Resources is garnering input and providing grass roots education about the City's economical, but robust, health care options.

FIRE DEPARTMENT



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The FY 17/18 budget allowed the Fire Department to reinvigorate its never-ending pursuit of excellence through the process of continuous improvement. The Annual Compliance Report, verifying current conformity with accreditation standards, was once again accepted by the Center for Public Safety Excellence and the Department's status as an accredited agency was re-affirmed. Further extending the reach of the Fire Department budget, the Foreign Fire Insurance Board contributed funding for multiple operationally-enhancing projects. Notable among these were the purchases of custom furniture, automated floor scrubbers for all three stations, physical fitness equipment and modifications to fire apparatus.

During this budget year, the Fire Department took delivery of a brand new, state-of-the-art, Pierce Fire Engine. It will serve the department for the next 20 years and represents the product of a great deal of effort involving careful planning by the Fire and Finance Departments, as well as a commitment by the City Council to make sure that the required funding is set aside for the apparatus replacement schedule. Additionally, the Fire Department is replacing all of the current Draeger SCBA with MSA equipment. This purchase required a significant amount of time for the committee to study available products, witness promotional demonstrations, and then field test and score the available devices.

As Lead Agency for Tri City Ambulance (TCA) we are pleased to report that ambulance billing revenue has allowed for the reduction in membership assessments while still enabling the continuation of established service levels. This drop in assessments will save valuable resources for all the member agencies. In FY 18/19 further study will be done to evaluate the need for a demand-staffed ambulance. This additional medic unit would be staffed at peak times to enhance service provision and allow for more resiliencies in the delivery model.

The Fire Department budget for FY 18-19 was formulated utilizing the Fire Department and City of St. Charles strategic plans as the guide. During this upcoming budget year, we will focus our efforts on new methods of communicating, non-traditional EMS service delivery methods, enhancing the culture of the Fire Department and improving our training programs. The Fire Department strives to deliver excellent services to both external *and* internal customers. We wish to be recognized as leaders not only for our service delivery model but also for how we prepare our members for future leadership challenges.

POLICE DEPARTMENT

The Police Department continues to address and budget for staff replacements, due to retirements in 2017. Several new technology enhancements have been implemented as well, all having been previously budgeted. And, as discussed in detail under the Public Works Department, plans are well underway to construct a new police facility at 1515 W. Main Street (the former Valley Shopping Center),

Additionally, we continue to make police officer training and social services a top priority. Between our continued partnerships with the Association for Individual Development (AID) we



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have a licensed social worker on-call 24 hours a day to assist victims and provide referral services for mental health, crisis intervention, counseling, advocacy, and intervention. We also have trained numerous officers in “crisis intervention” and formed a department-wide Crisis Intervention Team. This team works hand-in-hand with our social worker to address the aforementioned issues. Lastly, we continue to hire new officers at higher levels due to attrition. We have implemented “lateral recruitment” to coincide with traditional hiring due to police academy delays and hiring diversity. We anticipate several positions will be filled within the coming year and have budgeted and planned accordingly. We have also promoted and transitioned several officers within our organization to new positions. In fact, both deputy chiefs, all of our commanders and several sergeants are now in new positions.

It’s an exciting time to be a part of the St. Charles Police Department. We have undergone quite a bit of change in the last several years and our staff is excited for the opportunities that lie ahead. We continue to be a leader in the Fox Valley and pride ourselves on delivering cost-effective, community-oriented public service to our residents, business owners and visitors.

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

In 2017, the Community & Economic Development Department continued to see a growing interest and investment from the development community in St. Charles. The total estimated value of construction in 2017 was \$134,723,857 as compared to \$75,642,679 in 2016. We issued a total of 2125 building permits for projects ranging from downtown development activity to industrial construction/additions, residential construction at Anthem Heights and Prairie Winds and a variety of commercial developments across town. The City was able to keep up with the development activity, while continuing to provide a high level of customer service due to a coordinated team approach and continual process improvement.

In fall of 2017, we initiated the process of upgrading to a new version of the current permit tracking system. The City Council appropriated funding to support the migration to a new system. This investment will allow for improved tracking of project reviews, quicker access to information, efficient mobile computing, and integration with GIS.

In 2017, we began the process of implementing succession planning within the Department to address the increase in development activity, changing customer needs and anticipated retirements in the next few years by hiring a Building & Code Enforcement Supervisor and re-classifying a vacant position to a permit technician position. We also took advantage of an opportunity for increased efficiency and cost savings by combining the Development Engineering and Planning Divisions into one Community Development Division.

In fall 2017, the City Council approved an increase to building permit fees with a three year progression schedule. The new fees went into effect on January 1, 2018.

Our economic development efforts continue to highlight opportunities in St. Charles and our heritage of fostering a business-friendly climate. We accomplish these goals by assisting new



City of St. Charles

Budget Message and Overview

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and existing businesses to capitalize on those opportunities through an investment in building long-term relationships with local businesses, partner organizations, state and regional economic development groups, targeted and systematic marketing efforts, and investing up-to-date information. Some highlights of the community and economic development activity in St. Charles:

First Street Project

In FY17-18, plan approval and construction continued on Phase 3 of the First Street project, a multi-phase downtown redevelopment project. Construction of Phase 3, located east of First Street along the Fox River, began in 2015 and is expected to be completed in 2019. Building 3, the Sterling Bank building, will be completed this spring, along with the adjacent public Riverwalk. Plans for the final building in this phase, Building #2, were approved by the City in FY 17-18, and construction will begin this spring. Completion of the east plaza and Riverwalk will follow next year. With completion of Phase 3 on the horizon, the City will be issuing a Request for Proposals seeking development interest in the remaining building parcels, known as Buildings 6, 7B and 8. These final buildings will complete the City's 20 year vision for a vibrant mixed-use district in the core of downtown.

Downtown Development Opportunities

With the First Street project advancing towards completion, the City will begin looking ahead to future downtown development opportunities through a re-assessment of the "catalyst" development sites identified in the City's 2013 Comprehensive Plan. The pending relocation of the Police Department from its current riverfront location and the potential for enhancements to the riverfront in association with the Active River initiative will create unique redevelopment opportunities within downtown, particularly north of Main Street. The revisions to the Comprehensive Plan will help identify and prioritize downtown development opportunities for coming years.

West side developments

The City will continue to see growth on the west side, including new housing units:

- The City approved the Prairie Centre project, a redevelopment of the long vacant St. Charles Mall property on the west side, in early 2017. The project will include mixed use, commercial, and multi-family residential buildings, totaling up to 670 residential units. During FY 17-18, the City reviewed final engineering plans and building permit plans for the first two buildings, totaling 96 residential units. Site work and construction will begin soon and span the next several years.
- A nearby residential project west of Randall Road, called Prairie Winds, was approved in early 2017 and began construction last summer. The project includes 250 modern multi-family residential rental apartments, to be completed in 2018.



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- Anthem Heights, a 78-unit single family residential subdivision, began construction in FY 17-18.

Semersky Properties

Semersky Enterprises, Inc. has purchased a significant majority of the development sites northwest of the Randall Rd. and Rt. 64 intersection. We anticipate significant investment and development opportunities in this portion of the West Gateway area. To date, there have been discussions about opportunities for future automobile dealerships and commercial uses on these properties.

East side developments

Charlestowne Mall

We continue to work with property owners and developers to reinvigorate the East Gateway commercial district. In FY 17-18, the mall property owner presented a vision to redevelop the property into a mixed-use project including outlot and inline shopping destinations and residential uses. We anticipate the owners to present detailed plans and formal submittals in FY 18-19. Development of the new outlots has continued along the mall's Rt. 64 frontage, including, the Coopers Hawk Winery & Restaurant and a multi-tenant building containing Starbucks and Verizon Wireless, both completed in 2017.

Smithfield and Doran Scales

We strive to build lasting partnerships with local organizations and regional and state level economic development organizations. In June 2016, the City Council and St. Charles School District approved independent 3-year property tax rebate incentives. The initial introduction meeting was set up by Kane County and IMEC. Due to these combined efforts, Doran Scales chose St. Charles' Legacy Business Park as their new home and the facility's construction was completed in October of 2017. Doran Scales has now occupied this building along with their 30 employees. The 3-year property tax rebate payments will start in FY 18-19, and they plan to add 3 additional permanent employees in 2018.

We capitalized on these relationships again to convince Smithfield Foods that St. Charles and Illinois was the right location for their 30,000 square foot expansion worth an approximate \$30,000,000 in capital investments. Smithfield Foods chose St. Charles over locations in Iowa, Wisconsin, and North Carolina.

In FY 17-18, grant funding was used to foster healthy partnerships by assisting the local business community with relocation, expansion, and upgrades. We provided \$83,065 in Commercial Corridor and Downtown Business Economic Incentive Awards (CCD) for these projects:

- Relocation of West Valley Graphics from the Valley Shopping Center to 201 S. Third Street



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- Rectify mechanical equipment deficiencies at Alexander's Café
- Major structural repairs to the Home Brew Shop at 225 W. Main Street as part of their approximate \$800,000 building renovation and business expansion plan.

City Council approved an expansion of the Commercial Corridor Grant program in FY 17-18 that creates opportunities for the beautification of specific city-owned properties. This extension of the program uses existing funding amounts to create plans that can turn underutilized parcels into attractive assets and increase downtown's aesthetic environment.

The City continues to utilize its resources to market growth opportunities and to support our existing business community in a systematic effort identified in the City's Economic Development Content Strategy. In FY 17-18 we accomplished one of those long term goals by creating the *thinkstcharles.com* website to host marketing materials, key demographics, and new business attraction videos in a modern up-to-date format. We developed these materials to work in conjunction with our continued attendance at the ICSC Dealmaking trade show at Navy Pier. In FY 17-18 the City purchased a new portable exhibition booth to enhance our presence and visibility at the show and showcase our newly created content. In the past year, we have seen success from these efforts with the opening of TJ Maxx and the anticipated opening of Ross, Ulta, and Five Below in the Main Street Commons development in FY 18-19. In FY 18-19, we plan on continuing to increase the value of these marketing efforts. We plan on working with The Retail Coach to provide cell phone data to determine who shops in St. Charles and how far they drive to get here, and to hire a professional photographer to update our marketing imagery.

We continue to spearhead the annual Restaurant Week promotion. In the last two fiscal years, we have increased our marketing presence through digital media and reduced our reliance on mailed postcards. In FY 18-19 we will continue to pursue new cost saving strategies to deliver a great promotion, but find efficiencies to reduce the promotion's overall cost.

In 2018, our goal is to serve our customers better through thoughtful execution of City Council's direction regarding development of the community, utilizing an updated permit tracking system and getting new employees acclimatized to the culture of the organization.

FINANCE DEPARTMENT

In the spring of 2018, the Finance Department intends to issue \$22.9 million in General Obligation Corporate Purpose bonds, of which \$17.0 million will be used to finance a majority of the costs related to the construction of the City's new police facility. The remaining bonds will be issued to cover the costs of various smaller capital projects.

In the coming year, the Finance Department looks forward to expanding its utilization of Laserfiche, the City's document management system. With the assistance of the IS Department and Human Resources, Accounts Payable is working on utilizing Laserfiche functionality to manage training conference/seminar approval and reconciliation forms. Also in the near future,



City of St. Charles Budget Message and Overview FY 2018-2019

we hope to use Laserfiche in the organizing and storing of our accounts receivable invoices, bank statements, and accounting journal entries.

The City of St. Charles continues to reap the benefits of participating in the State of Illinois' Office of the Comptroller's Local Debt Recovery Program (LDR). This program allows local governments to submit debt owed to them (i.e. utility bill payments, parking tickets, booking fees, etc.) to the State for collection through state-issued disbursements, including income tax refunds, lottery winnings, vendor payments, etc. We have increased our efforts to ensure that all outstanding debt owed to the City is placed in the LDR program as soon as the requirements are met. To date, we have collected over \$145,000 in outstanding debt, with no out-of-pocket cost/commission to the City.

Recently, the Finance Department received some great news. The City's Comprehensive Annual Financial Report for the fiscal year ended April 30, 2017 was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. This is the 32nd year in a row that the City has received this prestigious award. The Finance Department continues to work diligently to ensure that this streak continues.

Our own Finance Director, Christopher Minick, was elected President of the Executive Board of the Illinois Finance Officers Association, a statewide association of more than 900 government finance professionals. He was instated at the IGFOA Annual Conference in September 2017 and has served on the Executive Board since 2012. IGFOA provides leadership, education, professional development and support to government finance officers in Illinois.

The Purchasing and Inventory division underwent major changes this last year while finishing up major projects from the previous year. The year began with two veteran employees retiring after more than 25 years with the City.

The continued efforts to organize the renovated cable shed area and remove 100% of the stocked items from the outside storage yards allowed for the completion of paving and concrete work to this location. This coordinated effort took several months, ending the summer season with the final task of moving stocked items back into the paved yard, taking count, and organizing the final storage of the new completed compound.

The Inventory division concluded the calendar year with increased inventory cycle counts and preparation for the winter season.

Purchasing continued to coordinate online auctions of obsolete city property and purchases of new City Vehicles. Also, an increased schedule of bid projects and procurement made for a busy year.

The year ended with a restructuring of the Purchasing and Inventory Control Division by splitting the division and moving Inventory Control under the Public Works department while keeping the Purchasing Division under the Finance department. The Purchasing Division will



City of St. Charles Budget Message and Overview FY 2018-2019

be reconfigured, the first step being the hiring of a Purchasing Division Manager. It is anticipated this position will be filled by early spring of 2018. This restructuring will bring better efficiencies to both divisions and will improve service throughout the City as a whole.

The long anticipated Document Management project is in full swing for the Utility Billing Division. Initially, all applications were scanned in by an outside company and we have perfected the scanning of the day-to-day applications received. We are currently in the process of cleaning up those applications that did not fit the data norm and getting those scanned into the system. This should be completed by the end of March. The next goal in our document management project is the scanning of all work orders and job orders. This paperwork contains readings, dates, and meter information. This paperwork is currently kept in a paper file by work order or job order number. This electronic data will save Utility Billing a significant amount of time in filing, and searching necessary documents to address billing questions. The Meter Department will have easier access to those records as well.

We have been working with Information Systems on finding a replacement for our on-line Utility Billing payment portal. The new system, powered through Paymentus, should be operational by the end of April. This new payment portal gives our residents more options to pay their bills. Some of the new payment options that will be offered are the ability to pay by smart phone, IVR (Interactive Voice Response), automatic payments using a credit card, and paying by text. The new portal will also allow the City to maintain PCI (Payment Card Industry) compliance.

We have started the process of replacing our twenty-five-year-old “home grown” Utility Billing system. We are working with Information Systems and Power System Engineering to complete a comprehensive needs assessment. While our current system has many unique features that have been added over the years, it is an iSeries-based green screen program with very limited application support. We are really looking forward to seeing what additional functions exist and what direction the industry is taking in software. We have a great system, but we realize there are other industry options that will improve our efficiency and functionality.

Fun facts about Utility Billing:

- Utility Billing staff members are deputy registrars. We are able to register any resident of Kane County to vote. We are the main contact and coordinate with the Voters Registration office for early voting.



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- We have very loyal customers that love to deal with us in person or by phone. In the past year, in one month alone we had 2,575 calls. We had 1,616 customers come to our counter in another month. We average about 3,800 customer contacts a month between phone and counter activity.

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 67% of the City’s General Fund budget.

The number of full-time equivalent positions (FTEs) budgeted for FY 18-19 stands at 269.23 (excluding elected officials, crossing guards, meter readers, and EMA personnel), roughly the same amount of FTE’s budgeted in FY 17-18.

Full Time Equivalent (FTE) Employees by Department			
Department	Budgeted FY 16/17	Proposed FY 17/18	Net Change
City Administration	5.18	5.35	0.17
Information Systems	12.62	12.62	0.00
Human Resources	6.01	6.01	0.00
Finance	18.63	13.49	-5.14
Police	67.14	67.91	0.77
Fire	49.89	49.45	-0.44
Community & Economic Development	15.18	15.76	0.58
Public Works	93.60	98.64	5.04
Total FTE	268.25	269.23	0.98

Capital Projects

The City will undertake over \$42.6 million in capital projects in FY 18-19. Of this amount, \$11.7 million is budgeted for projects within the City’s three major enterprise funds – Electric, Water, and Wastewater.

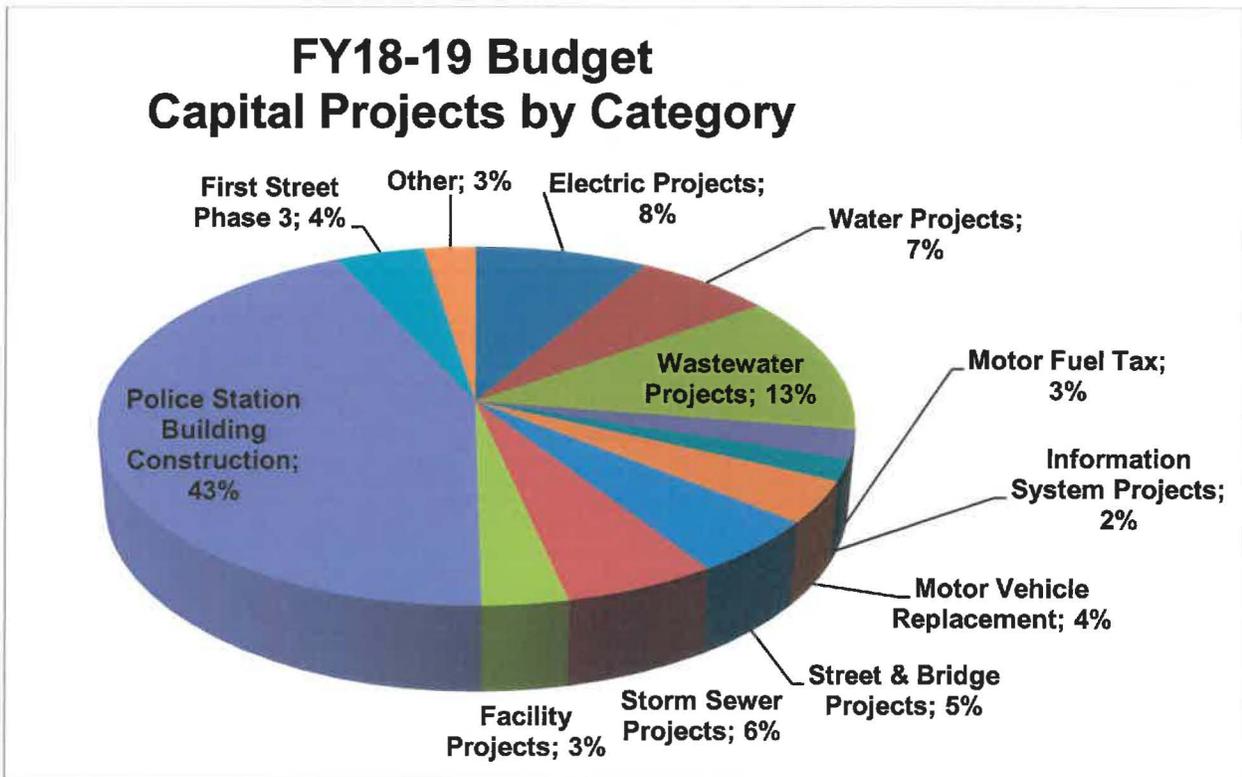


City of St. Charles Budget Message and Overview FY 2018-2019

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

- Adams Avenue (S. 9th Ave to East End)
- Campton Hills Road (Happy Hills Rd to Peck Rd)
- Mildred Avenue (Ronzheimer Ave to Rita Ave)
- N. 12th Avenue (E. Main St to Wing Ave)
- Ohio Avenue (Kirk Rd to Kautz Rd)
- Rita Avenue (Mildred Ave to S. Tyler Rd)
- Ronzheimer Avenue (S. Tyler Rd. to Weber Rd)

Further information on the City's roadway resurfacing projects can be found on pages VI-6 and VI-7 of the Capital Improvement section of the budget book.





City of St. Charles Budget Message and Overview FY 2018-2019

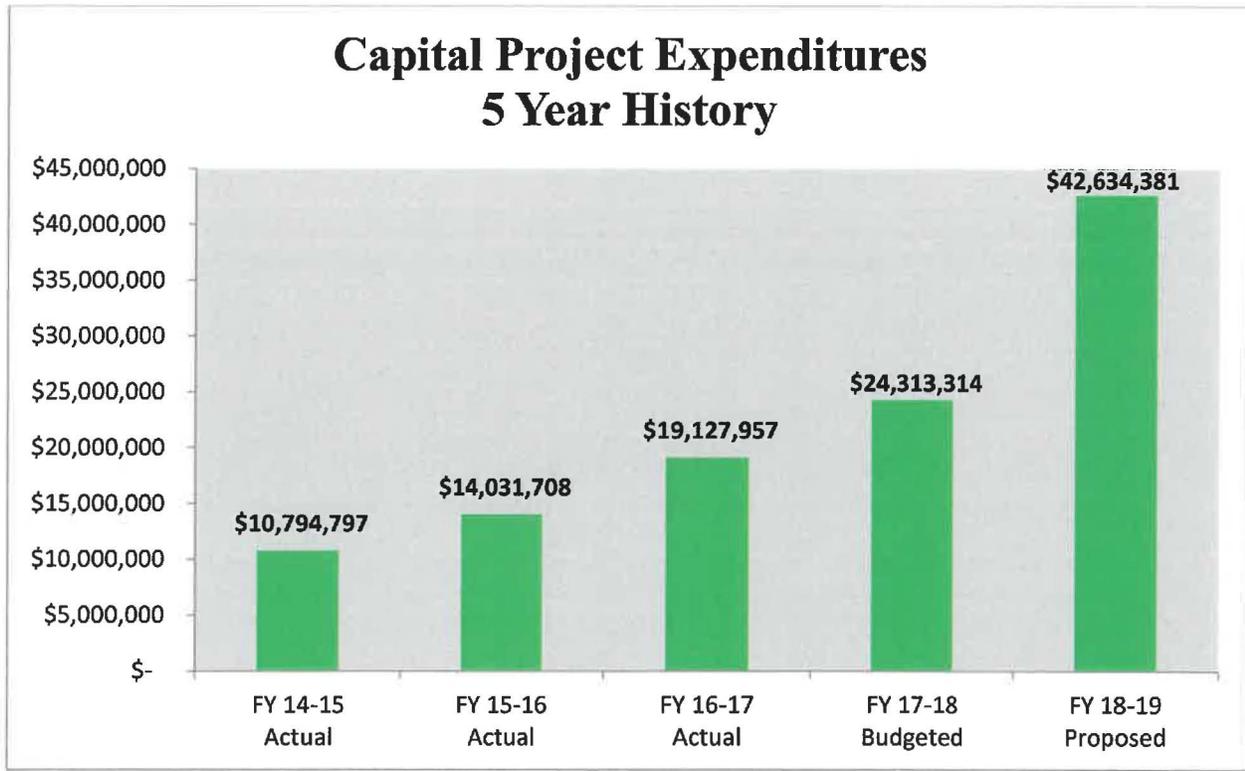
Major capital initiatives budgeted for FY 18/19 include:

- Police Station Building Construction- \$20,000,000
- Arcada Theatre/Former George's Sports Building Redevelopment - \$900,000
- Stormwater Management Projects- \$1,621,233
- 7th and Division Lift Station Replacement – \$560,560
- Dunham Rd Force Main - \$990,000
- Continuation of 1st Street Phase 3 Public Improvements - \$1,852,664
- Electric Overhead System Replacements - \$1,300,000
- Ohio Avenue Reconstruction - \$918,500
- MFT Annual Resurfacing Program (includes associated utility repairs) - \$1,408,150

The City will continue to pursue grant funding opportunities for its capital projects, when appropriate.



**City of St. Charles
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Debt Summary

In FY 18-19, it is anticipated the City will issue approximately \$18.2 million in new debt for capital financing purposes. Projects include:

- Remainder of Police Facility Construction
- Ohio Ave Reconstruction
- Water Tower Painting – Campton Hills
- Electric Overhead System Replacements
- Arcada Theatre/Former George’s Sports Building Redevelopment
- 7th Ave Creek Culvert Maintenance
- 7th and Division Lift Station Replacement
- Dunham Rd Force Main



City of St. Charles Budget Message and Overview FY 2018-2019

FY 18/19 Debt Summary				
Fund	Current	New Issues	Retirements	Outstanding @ 4/30/19
General	\$ 58,915,491	\$ 6,407,009	\$ 3,582,006	\$ 61,740,494
TIF	27,310,000	-	580,000	26,730,000
Electric	9,993,853	1,400,000	516,753	10,877,099
Water	14,911,050	1,477,600	932,868	15,455,782
Wastewater	21,668,148	8,909,500	1,708,234	28,869,413
TOTAL	\$ 132,798,541	\$ 18,194,109	\$ 7,319,862	\$143,672,788

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.

Enterprise Funds FY 18-19 Budget			
	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>
Revenues:			
User Charges	\$ 62,651,767	\$ 6,494,689	\$ 10,506,466
Other Operating Revenues	899,688	365,341	409,992
Capital Financing Proceeds	1,400,000	1,673,600	1,361,060
Transfers In	301,664	-	-
Total Revenues	65,253,119	8,533,630	12,277,518
Expenses:			
Personal Services	\$ 3,943,893	\$ 1,543,489	\$ 2,133,136
Other Operating	52,898,304	2,010,429	3,000,966
Allocations from Other Funds	1,763,592	1,305,636	1,330,296
Capital	3,571,000	2,833,800	2,860,110
Debt Retirement	963,336	1,301,319	2,197,365
Transfers Out	483,384	217,737	343,790
Total Expenses	63,623,509	9,212,410	11,865,663
Revenues Over/(Under) Expenses	<u>\$ 1,629,610</u>	<u>\$ (678,780)</u>	<u>\$ 411,855</u>



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Due to declining consumption levels and eroding financial performance of its three utilities, the City contracted with a nationwide consulting firm in late 2010 to conduct a comprehensive rate study. The rate study, which was accepted by the City Council on May 2, 2011, contained many suggestions for changes to the City's utility rate structure that would allow for long term financial sustainability of the City's utilities. Several of these changes were implemented beginning in the 2011-2012 fiscal year. Each year thereafter, in conjunction with the preparation of the annual budget, City staff updates the rate study recommendations and proposes a rate structure for the next fiscal year, taking into account the latest data regarding financial performance and reserve levels of each of the individual utilities. The City is currently in the process of undergoing a new rate study with a nationally recognized firm to determine if we have been on the right track or if any other adjustments are necessary. It is anticipated that the results of the rate study will be presented to City Council in summer 2018.

After five fiscal years of rate adjustments, we are beginning to see the realization of some of the goals and suggestions as detailed in the rate study. In the Electric Fund, we are consistently generating surpluses and the reserves are anticipated to continue in a positive position throughout the budget projection period. The rate structure will allow for much more moderate rate adjustments to keep pace with the City's anticipated changes in its wholesale power costs. Based on the current cost structure, these rate adjustments should allow for continued positive financial performance within the Electric utility.

The following changes are proposed to the Electric utility's residential rate structure for fiscal year 2018-2019, effective with June 2018 utility bills:

- The monthly service charge will be \$17.50, the same level as the previous two years.
- The base residential rate for kwh consumed will be increased to 11.96 cents per kwh year round, a modest 2% increase.
- During the summer months, a premium rate of 13.53 cents will be charged for kwh consumed in excess of 1,200, a 2% increase from the current rate of 13.26 cents per kwh.

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 \$2.00 per month. Rate changes for non-residential customers should approximate 2.00–3.00%, depending on each customer's electric consumption characteristics.

Rates also will be adjusted in the Water and Sewer utilities during FY 18-19. The City had historically followed a practice of utilizing non-rate revenues to subsidize the operations of these utilities. Therefore, the rate structure has been adjusted over time to realize the long term goal of providing adequate funding for the costs of water and sewer service to the City's utility customers.



City of St. Charles Budget Message and Overview FY 2018-2019

For the water utility, a 3.5% increase in rates and monthly customer charges will occur on May 1 and will first appear on utility bills mailed out in June. It is anticipated that these changes will result in an average monthly increase of \$1.41 for a typical residential customer. It is currently anticipated that the water utility's rate structure will stabilize within approximately three (3) fiscal years, based on anticipated needs of the utility and the current rate and cost structure. It is anticipated that the water utility will experience positive financial performance during that time frame.

Fiscal Year 2016-2017 was the first year that fundamental changes in the rate structure for the wastewater utility were implemented. There are significant capital projects anticipated within the wastewater utility, as many systems within the sewage treatment plant are near the end of their operational lives and the plant is upgraded to comply with new phosphorus standards, as promulgated by the Illinois Environmental Protection Agency (IEPA).

The IEPA has mandated more stringent removal of phosphorus from the effluent of the wastewater treatment plant discharged to the Fox River. The City has devised a plan to comply with those standards, but that compliance comes at a cost. In order to fund the equipment required for compliance with the new mandate, the City instituted an "EPA Compliance Assessment" during FY 16-17 that consisted of a fixed charge of \$0.45 per customer per month. In FY 17-18, the EPA Compliance Assessment fee was increased to \$0.90 per customer per month. For FY 18-19, the EPA Compliance Fee will increase to \$1.35 per month. Additionally, rate changes will be made to the fixed monthly service and volumetric charges to continue the implementation of the recommendations outlined in the rate study. Future increases to the EPA Compliance Assessment are contemplated to provide adequate funding for the City to comply with ever more stringent EPA regulations.

The City will also be performing repair, maintenance and replacement work on the digester equipment at the wastewater treatment facility. These improvements are nearing the end of their operational lives and are in need of repair. In addition to improving the treatment processes as noted above, various improvements will be made to the wastewater collection system components, such as maintenance of lift stations and various improvements to prevent infiltration of groundwater and stormwater into the collection system. In all, staff currently anticipates approximately \$28.5 million in wastewater system and infrastructure improvements over the next five (5) fiscal years.

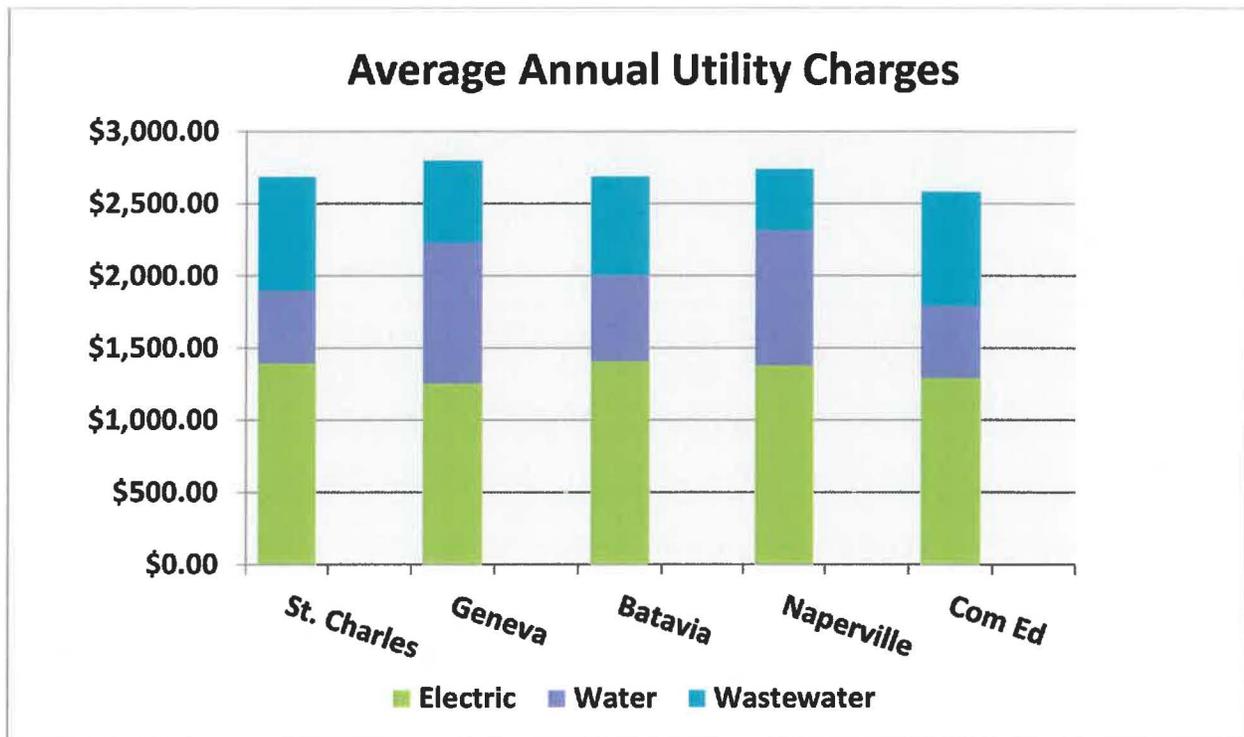
The goal of the utility rate study is to assure that the City's rate structure is adequate to finance the costs of providing utility service and also to assure that the rate structure matches the manner in which those costs are incurred. The proposed changes will help to meet that goal and also to assure that the utilities remain fully self-supporting, are funded entirely by rates paid by customers, and receive no tax revenue support. The second 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 residents continue to receive the reliable, high quality utility service that they demand. An update to the 2011 rate study is underway and is targeted for completion



City of St. Charles Budget Message and Overview FY 2018-2019

in summer 2018 to ensure that we are still on the right track when it comes to fulfilling the goals of the original rate study.

As shown on the following chart, even with these changes to the utility rate structure, the City's proposed utility rates for FY 18-19 will result in annual utility charges that are comparable to those in other area communities.



Conclusion

In the beginning of this message, it was stated “this year’s budget is really tight”! The real message is that formulating the budget involved a team of elected officials and dedicated directors and chiefs who worked hard on crafting a budget. This effort resulted in the FY 2018-2019 budget continuing to build on the City legacy of strong fiscal policy that finds a balance between citizen needs and desires.

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. Jill Ghiotto, Terry Barth, Kim Diehl, Lynn D’Avico, Alpa Patel, and Carylie Forte all worked diligently so that this document could be presented.



City of St. Charles Budget Message and Overview FY 2018-2019

We would like to especially acknowledge the efforts of Assistant Finance Director Julie Herr. Julie recently announced that she is leaving the City and will be relocating out of state. We would like to acknowledge and thank Julie for all of her efforts on behalf of the City of St Charles and its residents over the past 10 years. Successful delivery of City services is truly a team effort and Julie has always been the consummate professional and team player. Julie's efforts are directly responsible for many of the successes that the City has enjoyed and shared with its residents. Thank you, Julie, and we will miss you.

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.

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

Raymond P. Rogina
Mayor

Mark Koenen
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 Fund **(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 provides information to 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.

Glossary **(Section VII)**

Included in the glossary are common terms as well as many acronyms used throughout the budget book 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. Staff then develops the parameters and objectives for the upcoming budget process during the late autumn and winter.

In November, Department Directors prepare their individual departmental budgets in conjunction with the parameters developed. 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 mid to late February, a budget retreat is held to present the proposed budget to the City Council. The City Council discusses any concerns that they may have. The budget is then revised based on the outcome of the retreat.

Adoption

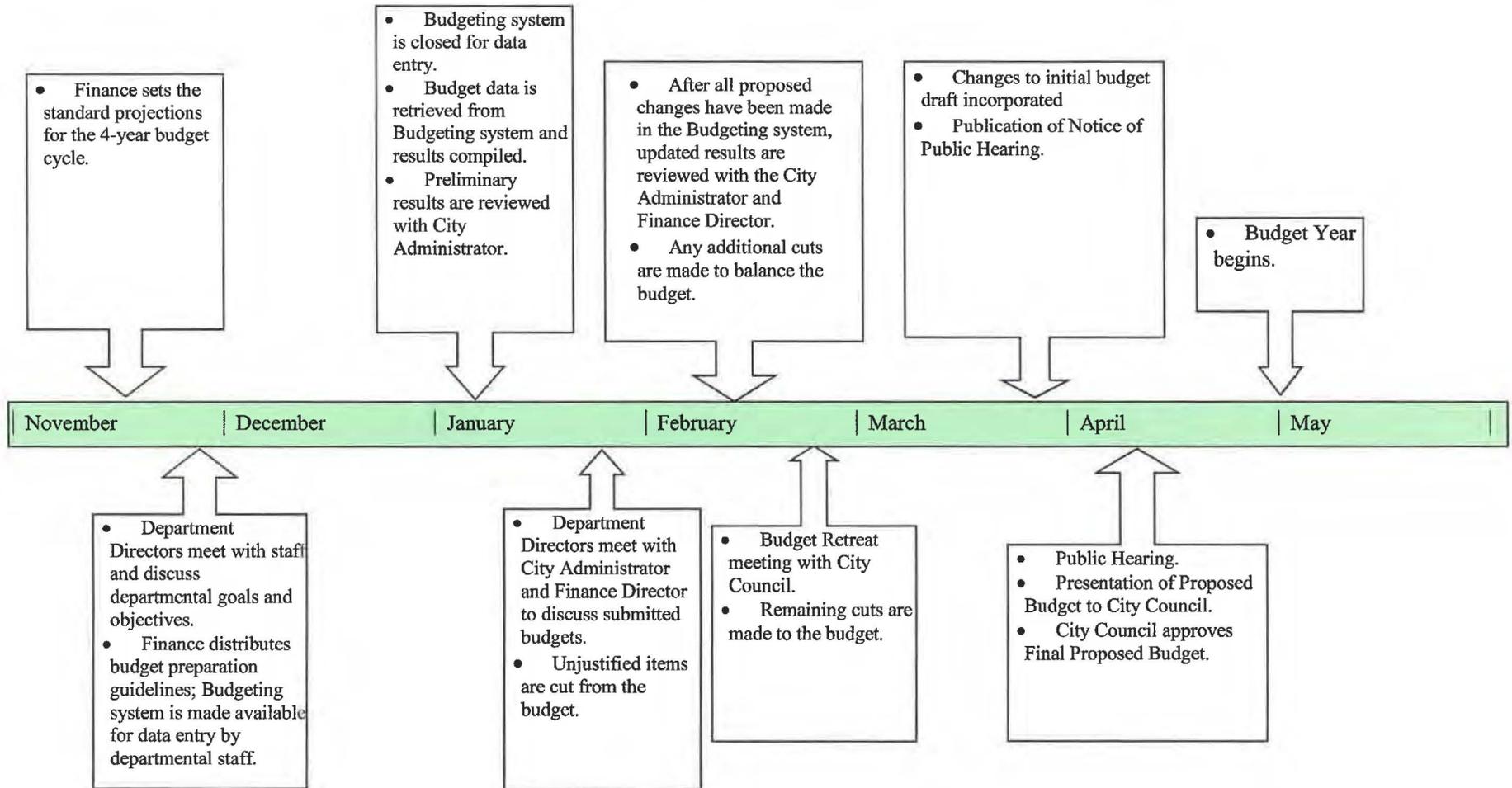
The City must make the tentative budget available for public inspection at least ten days prior to passage, and notice of a public hearing must be published in a newspaper having general circulation at least one week prior to the hearing. After the public hearing is held, the budget may be further revised 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

II-4



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, 2018, in conjunction with the approval of the FY 18-19 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. Unassigned Fund Balance typically designates the "Reserve Level" of the General Fund. By City Council policy, Unassigned Fund Balance (Reserves) must be maintained at a minimum level of 25% of Annual Expenditures and Transfers Out. Deficit fund balances in any other governmental fund will also be reported as unassigned.

Governmental Fund Flow Assumptions

The City's 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

In accordance with GASB 54, and by adoption of the FY 16-17 budget, the 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 Division actively markets St. Charles to developers, retailers, and commercial realtors. In an effort to keep in touch with the needs of local business, the Mayor, City Administrator, and Economic Development staff 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 and recently has approved economic incentive packages for commercial and industrial entities within the City.

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 68% residential to 23% 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. Secondarily, 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% 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 over the last several years in maintaining this policy over the long term for the City's utility enterprise funds. However, the City is making strides to rectify this situation by implementing a rate structure that incorporates the findings of a rate study that took place in April 2011. The FY 17-18 budget represents the seventh year in a row that these rate changes have been made. 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. An update to the 2011 rate study is currently in process and the City anticipates the results during the summer of 2018.

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. Projections of revenues and expenditures are typically conservative for analysis purposes. Staff has a demonstrated history of taking the steps necessary to provide for a balanced budget and matching expenditures to corresponding revenue streams.

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

Although the FY 2018-2019 budget anticipates a minor use of (previously accumulated) reserve funding for the capital program, the staff has presented a budget within the City's ability to pay.

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. Additionally staff presents an update of financial results at a committee meeting on a quarterly basis. Significant variations from expectations are discussed and analyzed for the Council's information.

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 and building permit revenue 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 continued 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 has also enacted a Power Cost Adjustment Factor (PCAF) charge 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. Staff has proposed an operationally balanced budget for Fiscal Year 2018-2019 and will endeavor to take the steps necessary to present operationally balanced budgets in future years.

The proposed FY 2018-2019 budget does contemplate the use of approximately \$212,000 of previously accumulated reserves to finance the cost of projects contemplated in the FY 2018-2019 budget. It is currently anticipated that the use of reserves will be limited to FY 2018-2019 only.

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. Additionally, extending financing beyond the useful life of the asset violates IRS guidelines for tax exempt borrowing.

Implementation: The City has been financing improvements and equipment in accordance with the anticipated useful life of the asset acquired. Financing terms do not exceed the useful life of the assets acquired and the City remains conservative in determining estimated useful lives. In the recent past, the City has issued debt or certain portions of bond issues have been amortized over periods shorter than 20 years to reflect this policy.

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 and is required by State and Federal law.

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: For the General Fund, the City currently meets this standard for the upcoming budget year as well as the two subsequent years. Preliminarily, year four of the proposed budget has the General Fund debt ratio at just above the 10% goal. The Electric Fund does meet this goal for the upcoming budget year as well as the three subsequent years. The Water Fund and Wastewater Fund do not currently meet this goal. This is primarily the result of additional debt service related to the financing of significant capital projects within these funds, including the Wastewater phosphorus removal and digester improvements project, as well as previous debt issuances related to a third water tower, a major water line replacement, and the construction of facilities to comply with mandated radium standards. Both the Wastewater and Water Funds have adequate reserves to assist in debt service payments if necessary.

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. When determining costs applicable to the project, the City will bond for related design, engineering and legal costs as applicable, and if there is a greater chance than not that the project will proceed. In addition, the City will comply with IRS regulations for design, engineering, and legal cost thresholds if the debt is being issued on a tax exempt basis. The City remains committed to utilizing bond funds only for projects that exceed \$500,000 in total costs.

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 - 6</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. The City has demonstrated a history of recognizing and appropriately reacting to changing financial conditions to minimize adverse impacts to residents, services and programs.

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:

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.

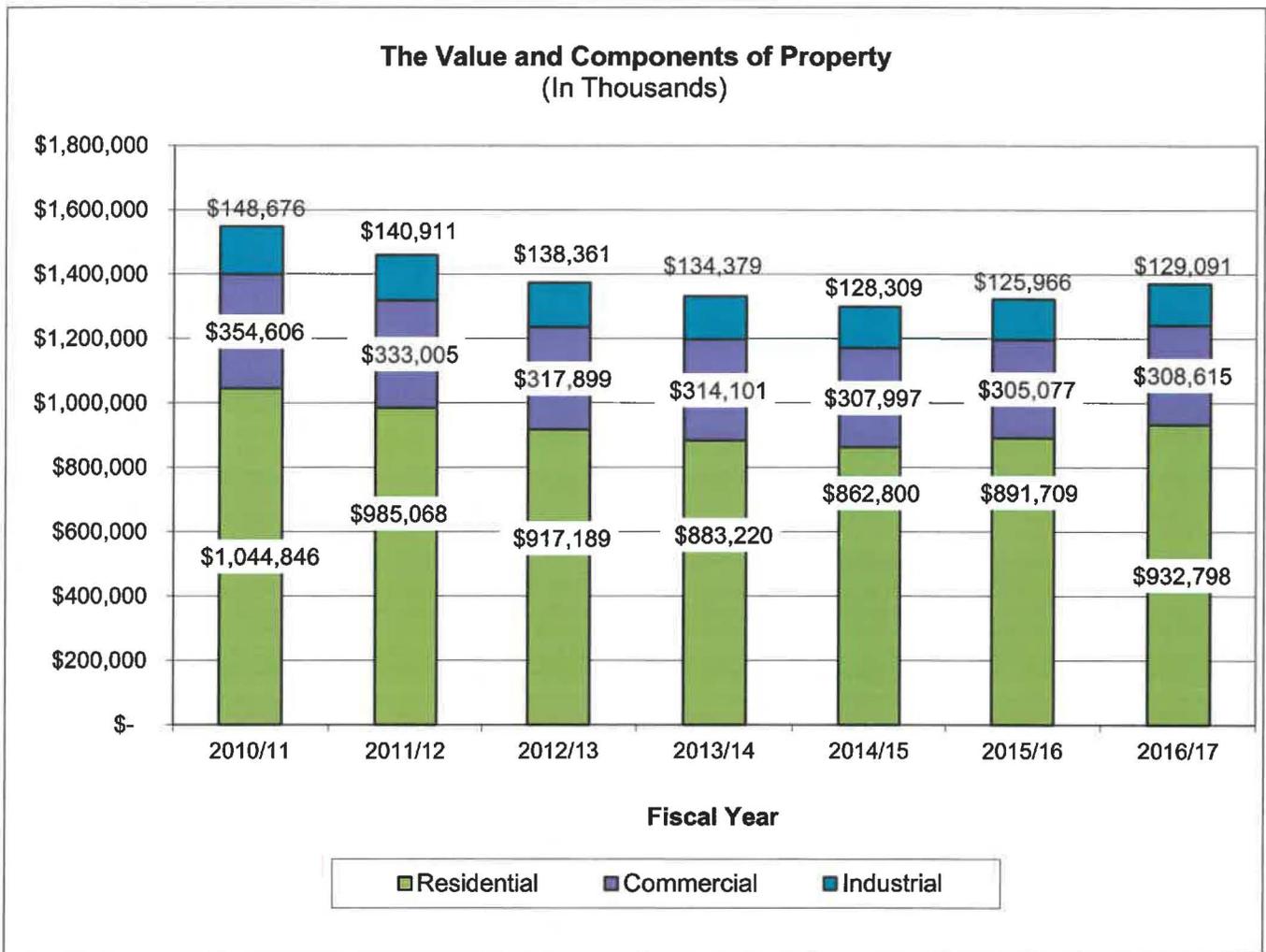
Revenue Trends – These revenue trends provide detailed analysis concerning the City’s property and sales tax base. In addition, any other significant revenue sources are included in this section.

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 68% of the City's total equalized assessed value, compared with 23% for commercial properties and 9% for industrial sites.

Indicator Description

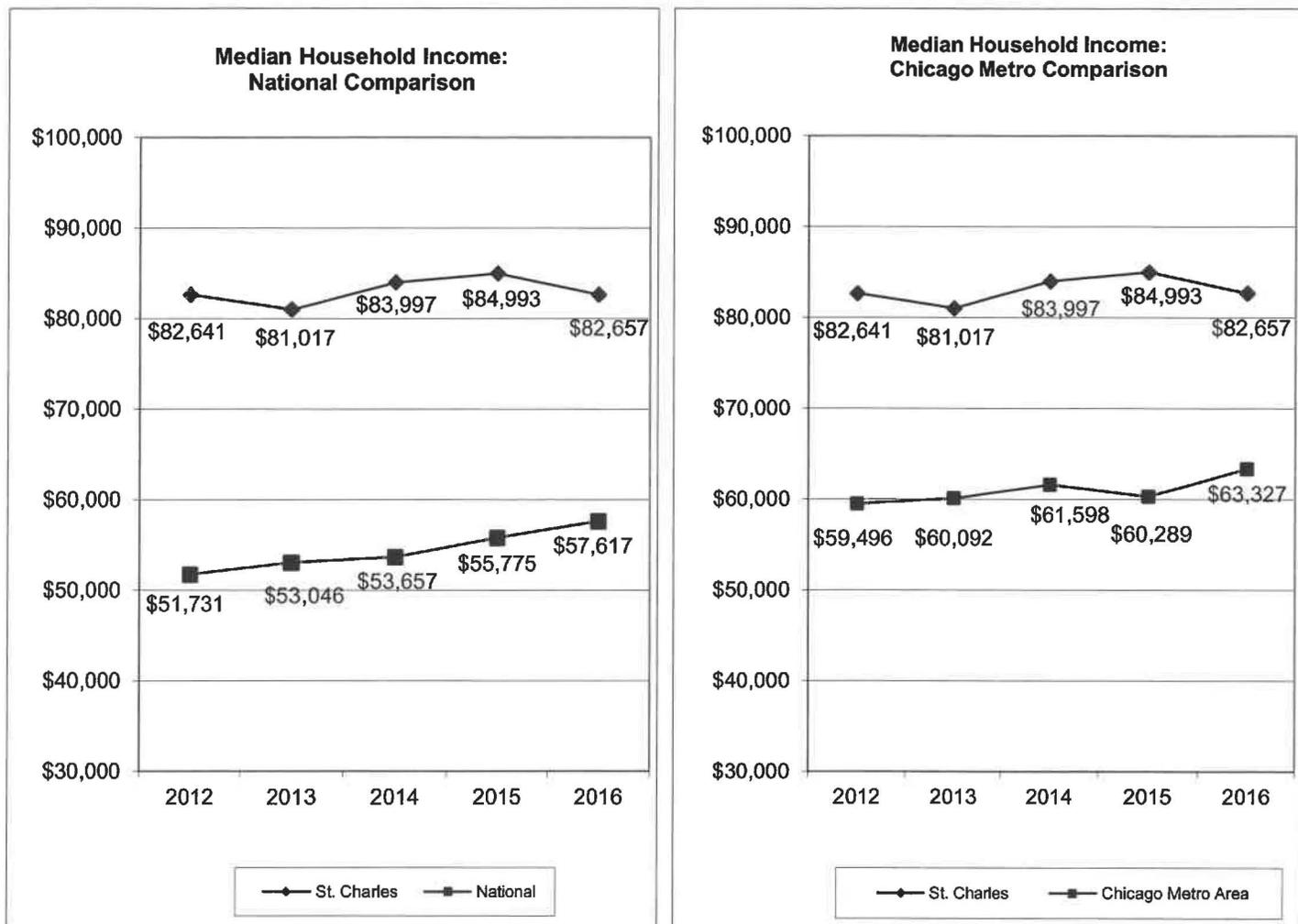
Property in Illinois is assessed at 1/3 its fair market value, and the assessed value is the base for the property tax rate.

Trend Analysis

Assessed valuations for St. Charles have decreased approximately 11.5% for the period under review. The City has been able to maintain an appropriate balance between development types. Since 2008/2009, the City has witnessed varying changes in assessed property values in each area; residential values have decreased 17.5% as a result of the housing crisis that began in 2008 while commercial values and industrial values have each declined approximately 15% and 16%, respectively, over that same period. For the 2017 levy, we anticipate a 3.5% increase in property values as compared with the 2016 levy.

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 other revenue sources to maintain and enhance current services. The City should maintain a diversified tax and revenue structure for overall sustainability and continued financial health.

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

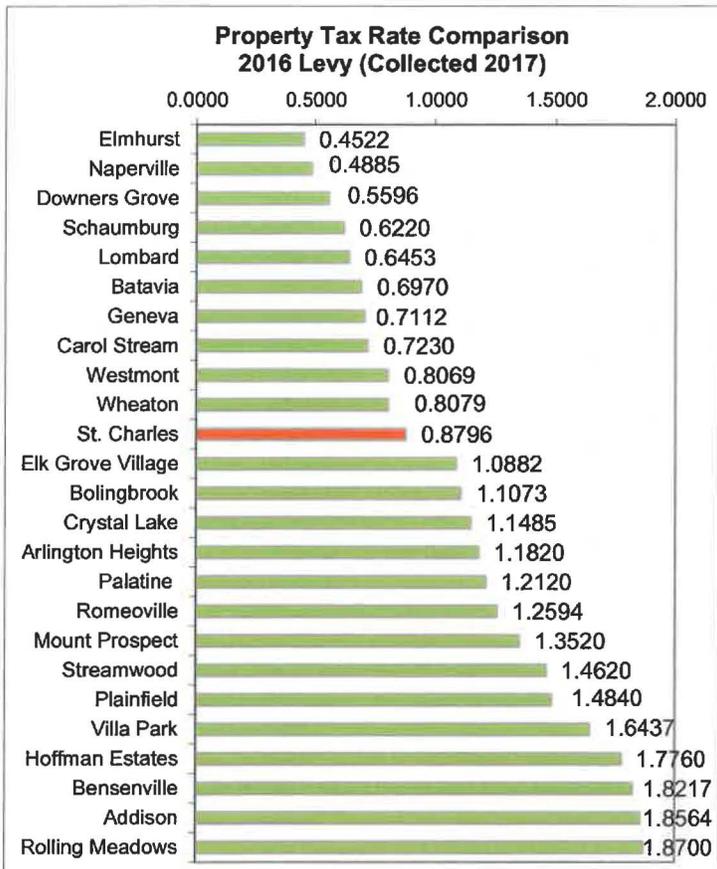
Median household income is one measure of a community's ability to pay taxes: in theory, the higher the household income, the greater the ability to pay taxes. Credit rating agencies use this indicator as one measure of a local government's ability to repay debt. These agencies compare income with per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

Trend Analysis

At \$82,657, median household income for the City of St. Charles is considerably higher than the national average of \$57,617 and the Chicago Metro average of \$63,327, which provides for a stable tax base. St. Charles, nevertheless, has traditionally not relied exclusively on its residents for revenues. Sales, Hotel and Alcoholic Beverage tax revenues, which account for approximately 45% of General Fund revenue, apply to visitors as well as residents.

Source: U.S. Census Bureau and projections

Comparative Trends: Property Tax Rates



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

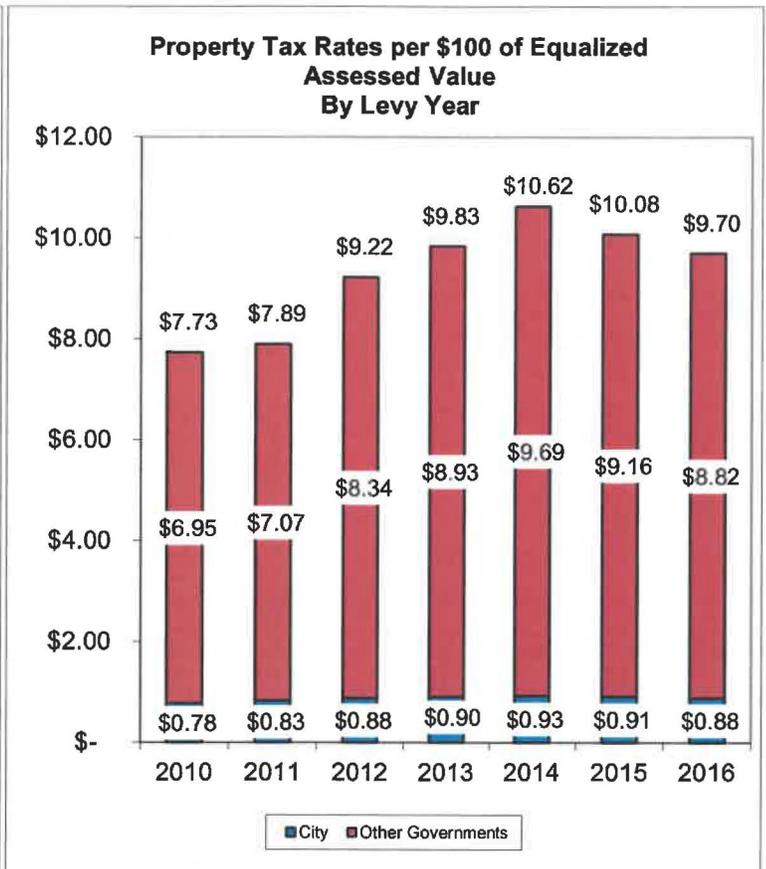
Indicator Description

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, to carefully monitor whether user fees are offsetting costs, to aggressively collect all revenue owed, and to invest all funds in line with City investment policies. For the 2017 Tax Levy, City Council has directed Staff to maintain a consistent operating property tax levy of approximately \$12,055,000 for the ninth consecutive year. This will have the impact of decreasing the tax rate to an estimated \$0.8463 when factoring in the anticipated increase in the City's taxable value (EAV).

Source: St. Charles CAFR and survey of area communities



The City collects only about 9.0% of the total property taxes levied.

Indicator Description

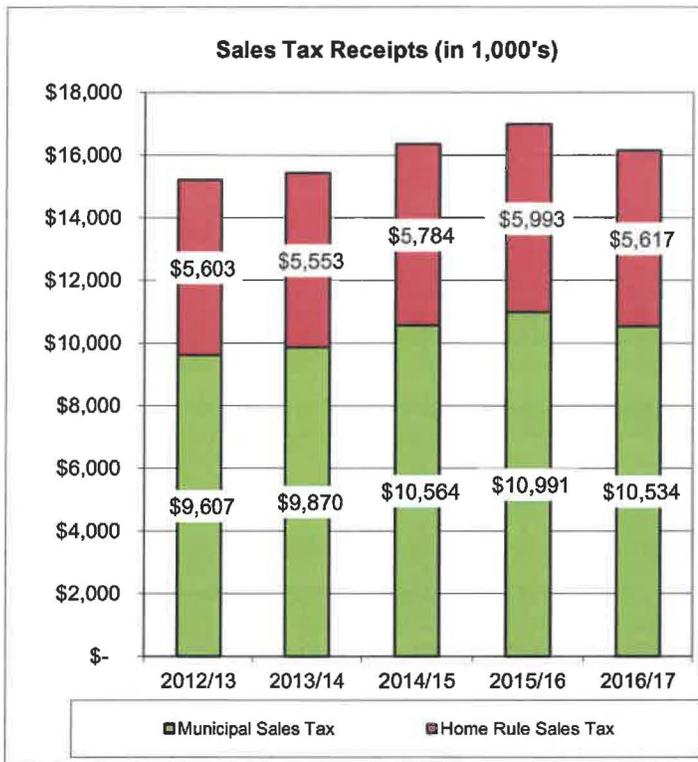
The above chart illustrates the City's portion of the property tax rate as compared to rates of overlapping governments (i.e.: County, school district, park district, library district, etc.). Decisions related to tax levies must take into consideration the total community tax rate, including all overlapping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

Trend Analysis

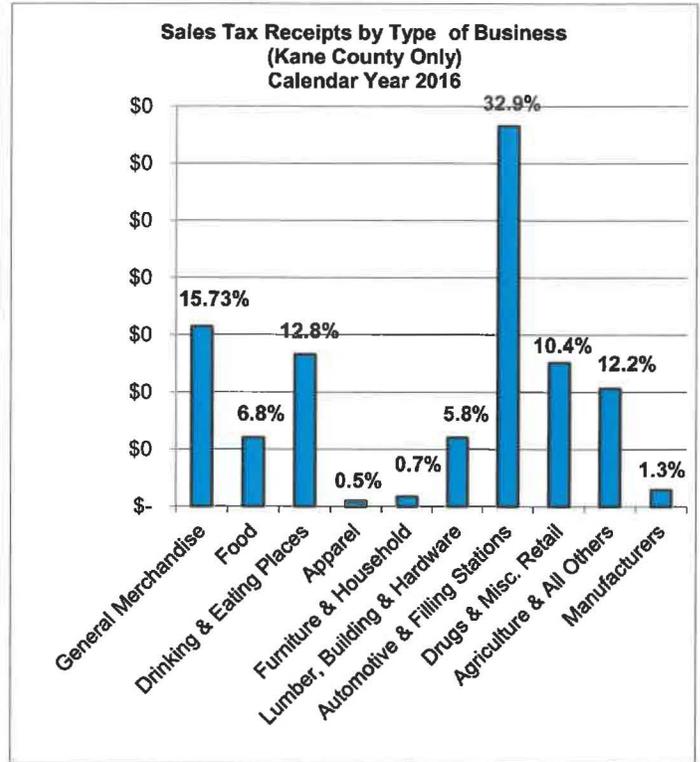
The City has been able to keep its rate relatively low during the period under consideration. Starting with the 2010 levy, the rates increased due to the declining EAV of the City. The City portion represents approximately 9% of a property's total tax bill.

Source: St. Charles CAFR

Revenue Trends: Sales Tax



Sales tax collections have shown modest increases over the last three years.



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 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. 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. Sales tax revenues have had steady growth over the last four years and that growth has continued into fiscal year 2017-2018. The City expects continued growth in its Sales Tax revenue stream into fiscal year 2018-2019.

Indicator Description

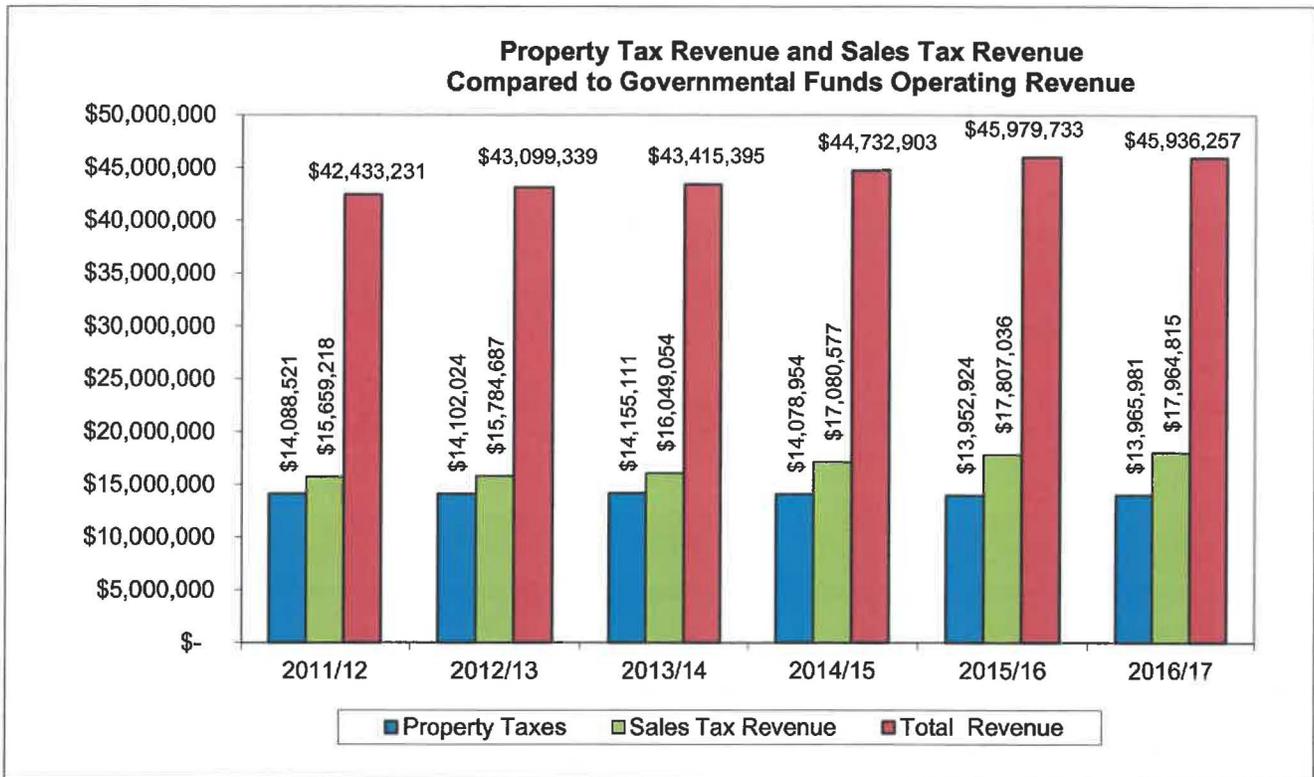
This table is presented to distinguish the sources of sales tax revenue received by the City (not including DuPage County). The information is given by calendar year, rather than fiscal year. Being aware of what percentage certain retail goods constitute of the whole can provide City officials with some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

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 general merchandise. The third largest is from 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.

Indicator Description

This indicator compares property tax revenue, including SSA and TIF property tax revenue, and sales tax revenue (includes state sales tax, home rule sales tax, municipal use tax, and state auto rental tax) 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.

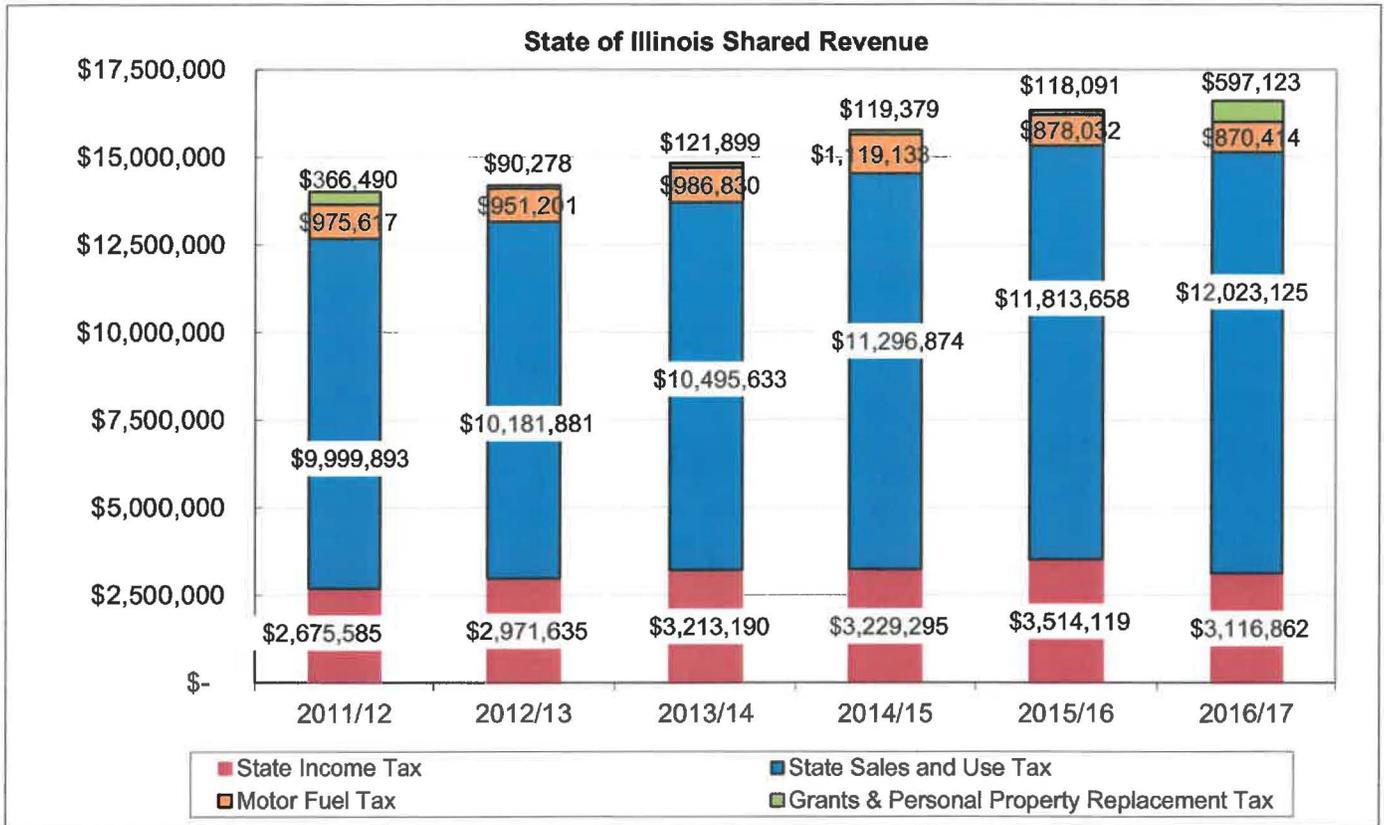
Trend Analysis

Property Tax as a percentage of governmental funds' operating revenue has generally remained stable over the last few fiscal years. The percentage has grown from 19.5% in 2001 to 30.3% in 2015/2016. The flat trend in the graph reflects the City's policy of keeping the property tax levy consistent over the last several fiscal years.

Prior to FY 11-12, the trend in sales tax reliance had been decreasing over the last few years. Sales tax 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 2016/2017, the percentage stands at 39.1%. 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 relatively more stable.

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.

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

The recent recessionary trends had resulted in lower revenue levels for both the City of St Charles and the State of Illinois. This trend is reversing and we expect slowly increasing revenues over the near term. The State Income Tax and State portion of the Sales Tax are the most significant intergovernmental revenues that the City receives. The income tax is based on a funding formula set by the State of Illinois, and the amount of revenue is impacted by the city's population as well as the economic health and income level in the state.

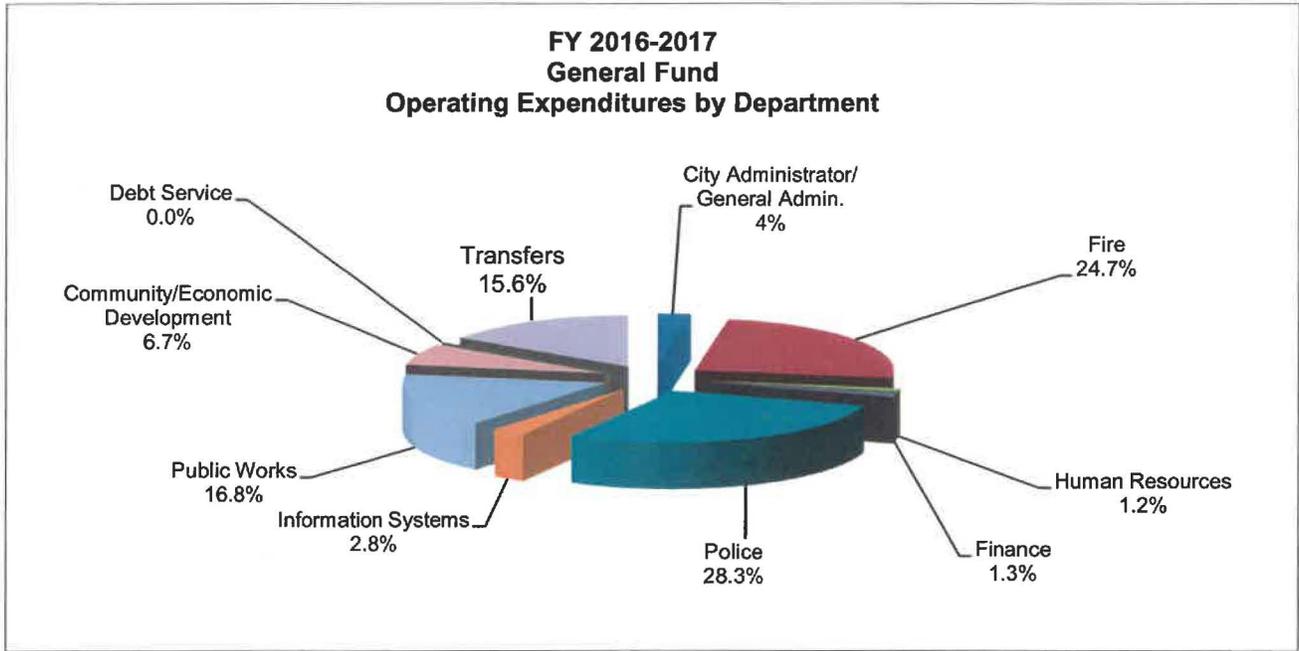
Motor Fuel Tax receipts are based on a per capita formula by the state. Revenue from this tax is used to fund maintenance and construction of City streets and rights-of-way.

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. For example, nearly half of the cost of the Red Gate Road Bridge was funded with Federal and State grants.

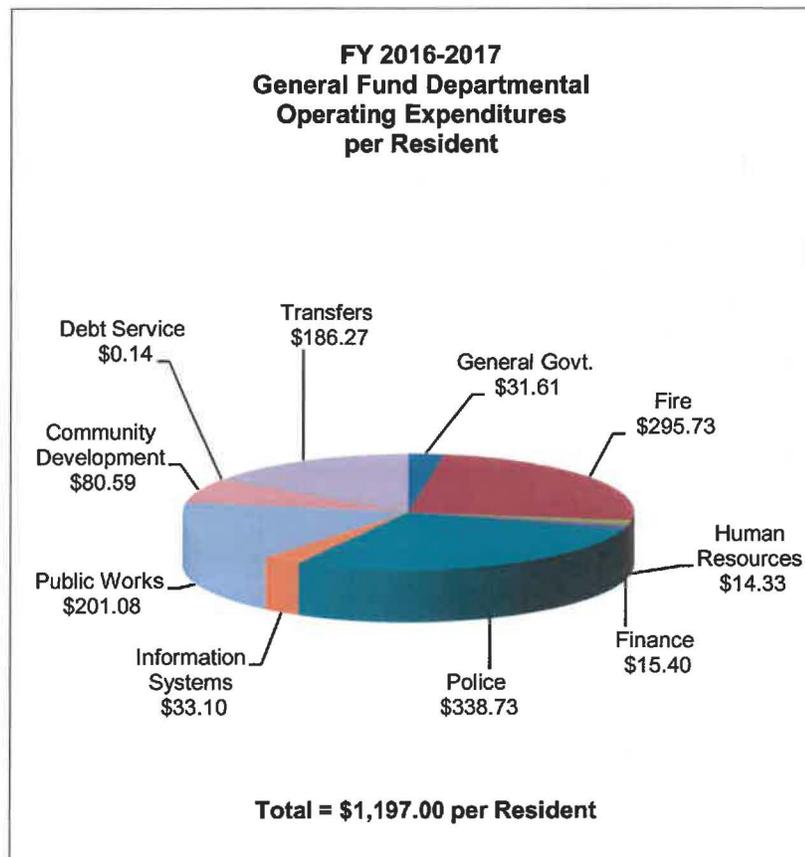
Over the last several years, various initiatives have surfaced in the legislature to limit or reduce the amount of revenue distributed to municipalities. Any reduction in these revenues would have an impact on the City's ability to provide a consistent level of services to its residents.

Source: St. Charles CAFR

Expenditure Trends: Operating Expenditures



Approximately \$ 0.70 of each dollar spent goes to police, fire, and public works services.



Indicator Description

The first pie chart represents operating expenditures by each City department for the General Fund, including transfers. Additionally, the second chart displays operating expenditures per resident by City department, including transfers.

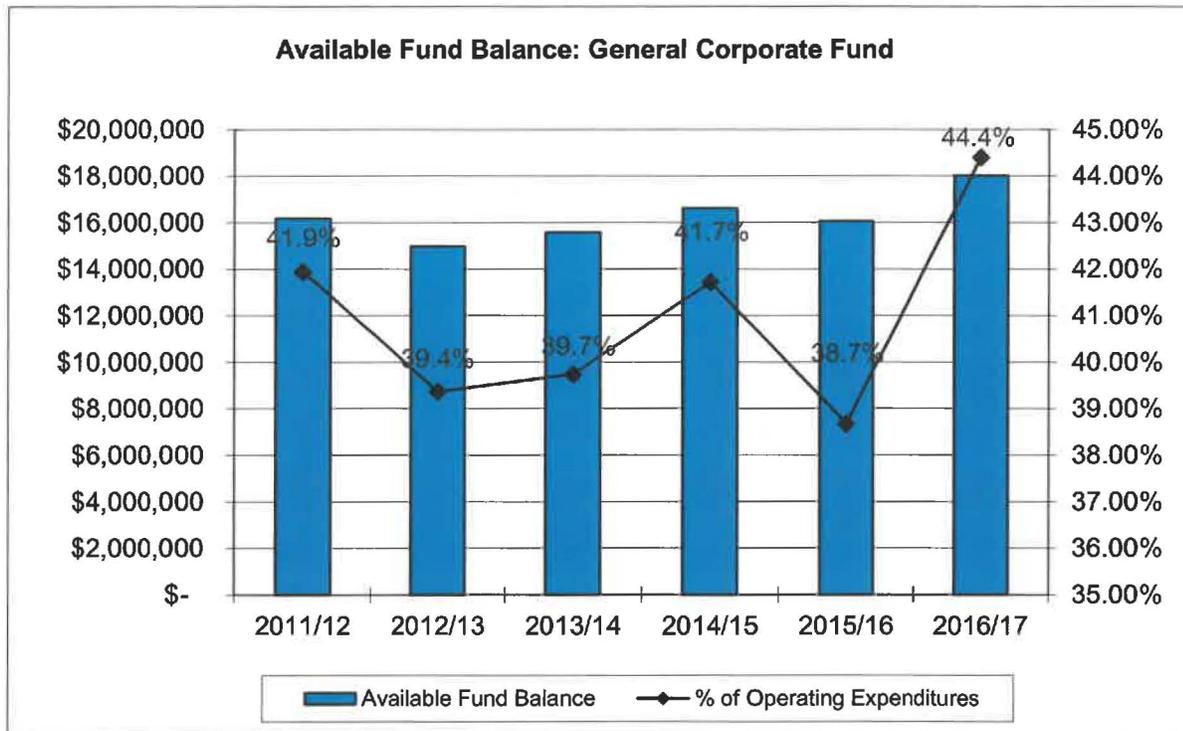
Trend Analysis

In fiscal year 2016/2017, approximately \$1,197 was spent per resident in the provision of all City services. This reflects a decrease of \$28.53 from the 2015/2016 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 and in line with revenue streams. 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

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

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. Additionally, strong reserves can help to lower interest costs when the City does 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

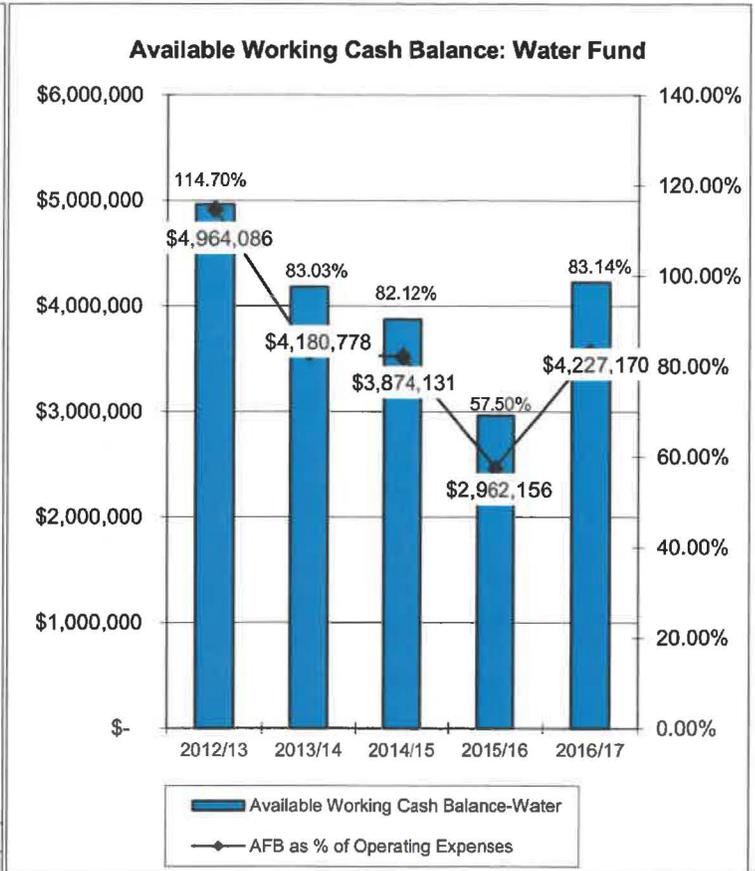
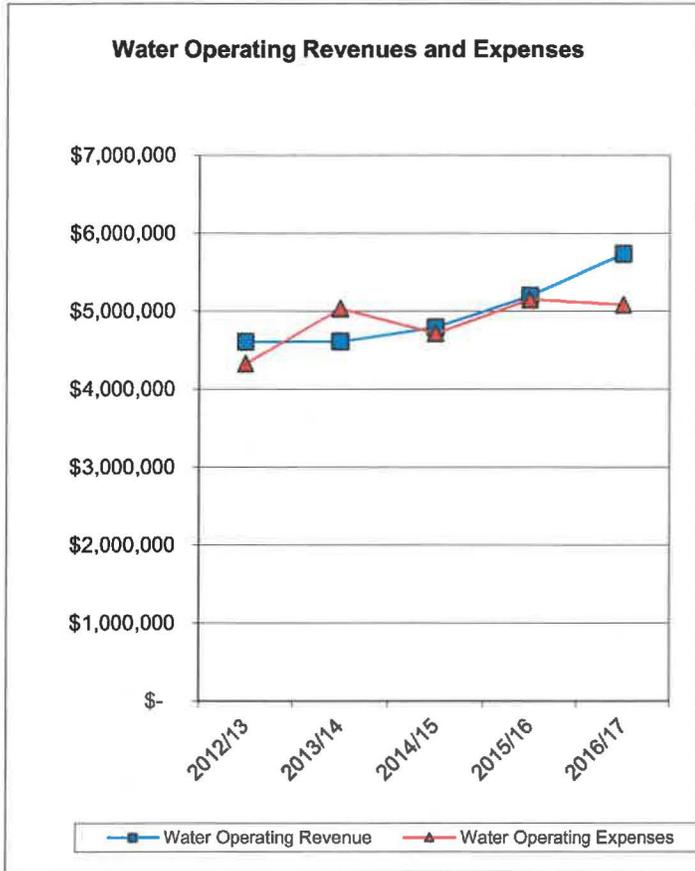
The City has consistently maintained well above the required 25% available General Fund balance of operating expenditures since the minimum increased in 2004. The available fund balance has continued to grow over the years, with the exception of 2012/2013, due to the City's General Fund loaning the Utility Funds \$1.9 million rather than issuing debt in the external market. Debt service payments (including interest at market rates) are being made by the utilities to the General Fund for the next 10 years as though the debt had been issued in the external market.

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 faced in recent years.

The table reflects the City's policy of living within its means by matching expenditure levels to revenue streams.

Source: St. Charles CAFR

Enterprise Fund Trends: Water



Over the last several years, the City has made an effort to bring revenues in line with Operating Expenses.

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

Indicator Description

This chart displays the amount of total revenue (primarily generated by user fees) and expenses (including depreciation) for the water fund. 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.

Indicator Description

Since the water utility is 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 the water fund are financed primarily through user-charges. The policy goal is to maintain an available working cash balance (current assets-current liabilities) of at least 25% of operating expenses.

Trend Analysis

Water usage has remained fairly stable over the period represented, with the exception of an increase in 2016/2017 due to a hot and dry summer. Revenues are increasing due to changes to the rate structure. The City completed a utility rate study in 2011. The study reflected that current revenues were not covering operating and capital expenses. Changes in the rate structure have been enacted in the past several years to provide self sufficiency of the fund in the long-term. A new rate study is underway to determine if rate structures are adequate considering today's environment and future capital needs.

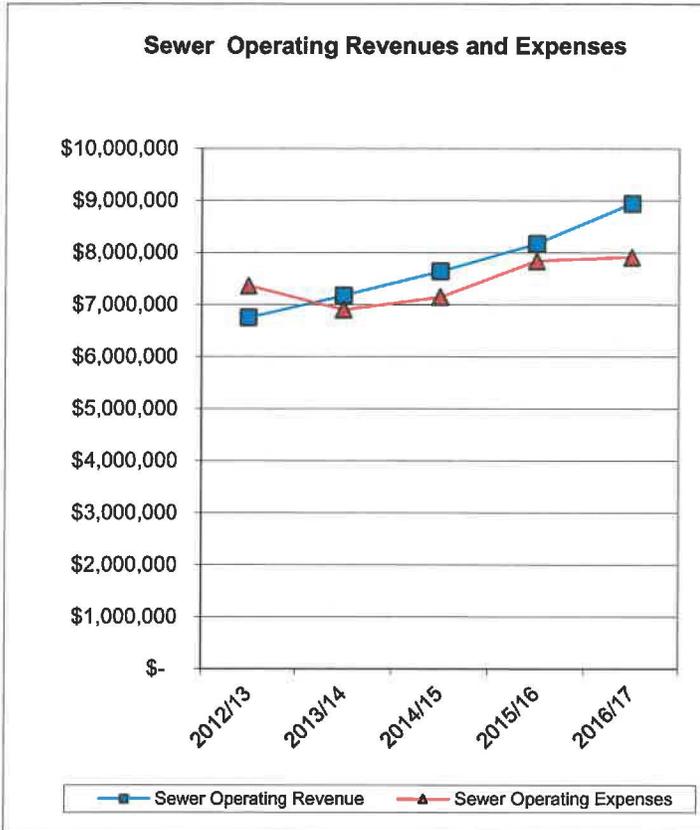
Trend Analysis

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 infrastructure is a priority, so that these costs are not a burden to future system users. Recent changes to the City's utility rate structure will level out the downward trend by creating a financially stable rate structure.

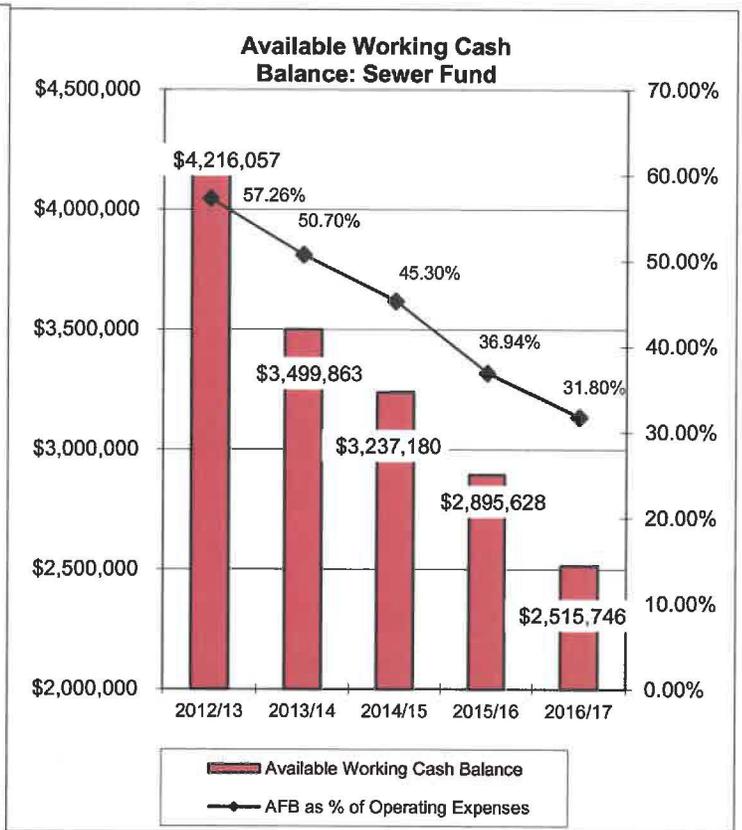
Source: St. Charles CAFR

Source: St. Charles CAFR

Enterprise Fund Trends: Sewer



Over the last several years, the City has made an effort to bring revenues in line with Operating Expenses.



Working cash balance in the Wastewater Fund has been declining but is expected to rebound over the next several years.

Indicator Description

This chart displays the amount of total revenue (primarily generated by user fees) and expenses (including depreciation) for the sewer fund. 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

Sewer usage, which is based on water usage, has remained fairly stable over the period represented, with the exception of 2016/17 due to a significantly hot and dry summer. Revenues are increasing due to changes to the rate structure. The City completed a utility rate study in 2011. The study reflected that current revenues were not covering operating and capital expenses. Changes in the rate structure have been enacted in the past several years to provide self sufficiency of the fund in the long-term. A new rate study is underway to determine if rate structures are adequate considering today's environment and future capital needs.

Source: St. Charles CAFR

Indicator Description

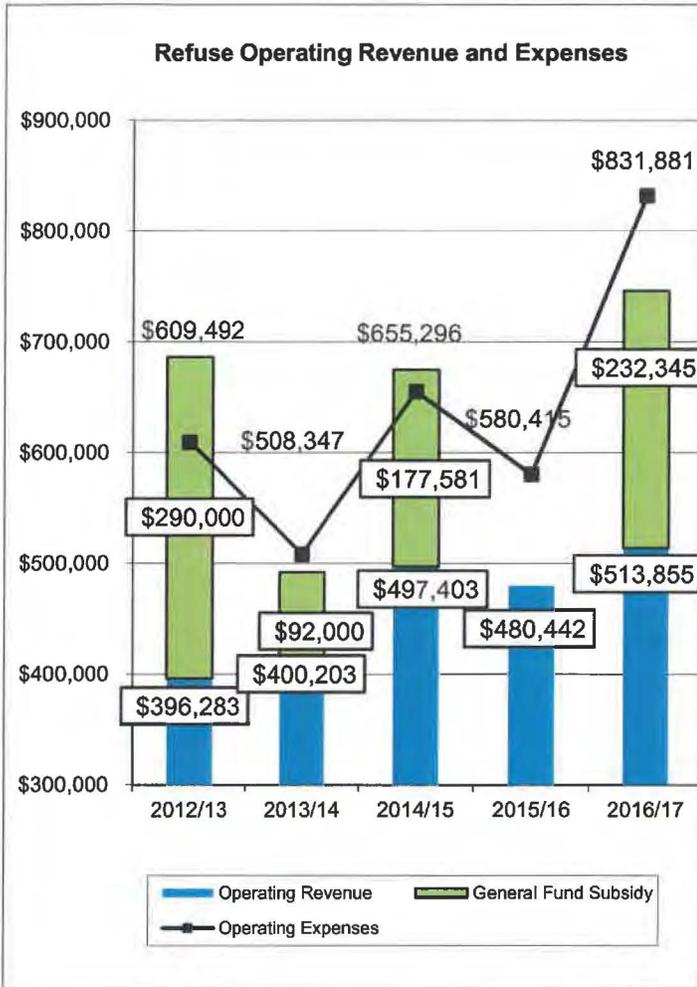
Since the sewer utility is a business-type activity of the City, the intent is to recover the cost of providing these services to the users of the system. In contrast to general governmental funds, enterprise funds, such as the sewer fund, are financed primarily through user-charges. The policy goal is to maintain an available working cash balance (current assets-current liabilities) 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 sewer infrastructure is a priority, so that these costs are not a burden to future system users. Recent changes to the City's utility rate structure will level out the downward trend by creating a financially stable rate structure over the next five years.

Source: St. Charles CAFR

Enterprise Fund Trends: Refuse and Electric



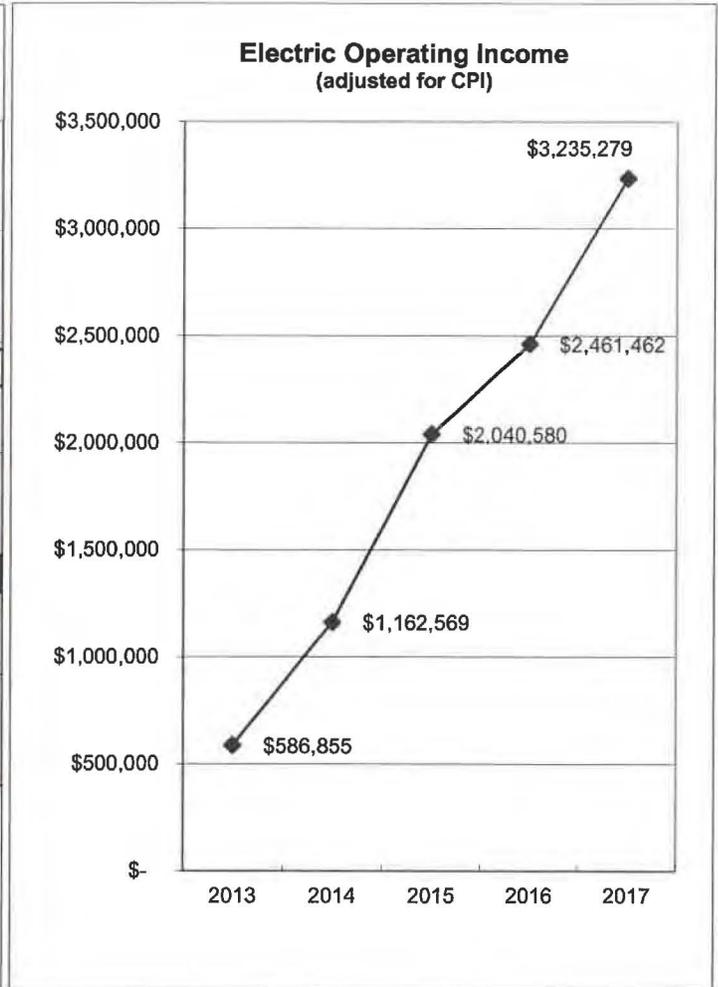
Rates are set below operational needs, so a subsidy is required.

Indicator Description

The Refuse Fund is another enterprise, or business-type activity of the City. As such, it should be self-sufficient, 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 \$4.21 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. The Spring Clean-up Program was reinstated on a bi-ennial basis in the FY 2012-2013 budget, increasing the General Fund subsidy. The FY 2017-2018 budgeted General Fund transfer is \$80,000.



The electric enterprise's operating income increased in recent years in response to the implementation of the rate study undertaken in 2011.

Indicator Description

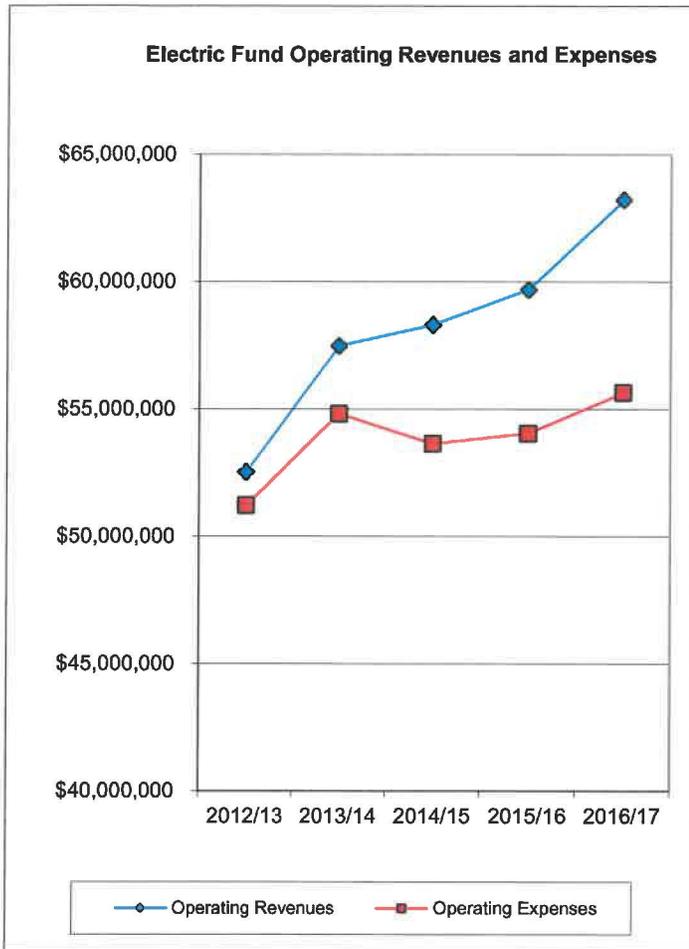
Since enterprise activities like electric are businesses run by government, they are unique. The typical business "bottom line" of profit or loss may not portray the most accurate picture of such a fund's long-run financial condition. This indicator looks at the total cost of providing the service (operating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

Trend Analysis

The Electric Fund's operating income was on a downward trend beginning in 2007 due 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 returning the fund to a sustainable business model. A new rate study is underway to determine if rate structures are adequate considering today's environment and future capital needs.

Source: St. Charles CAFR and Bureau of Labor Statistics

Enterprise Fund Trends: Electric



Recent rate structure changes have enabled operating revenues to exceed expenses.

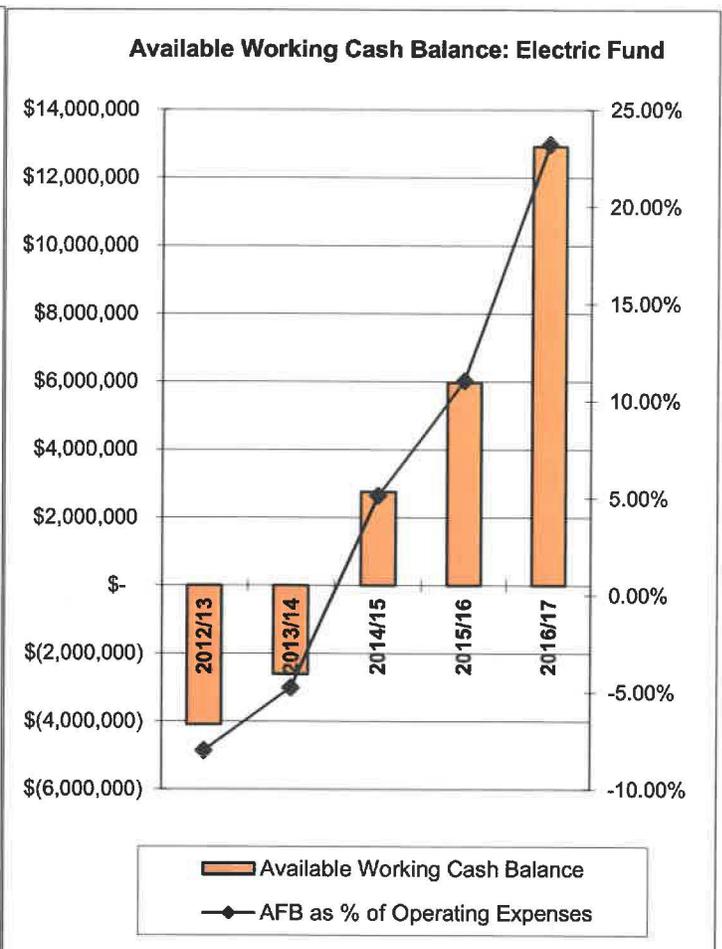
Indicator Description

Above is an illustration of the operating revenues and expenses (including depreciation and less debt payments) for the electric enterprise fund—covering the last five years. 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 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. Changes enacted in response to the rate study have helped reverse this trend in recent years.

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.



Available working cash has been increasing over the last few years due to changes in the electric rate structure.

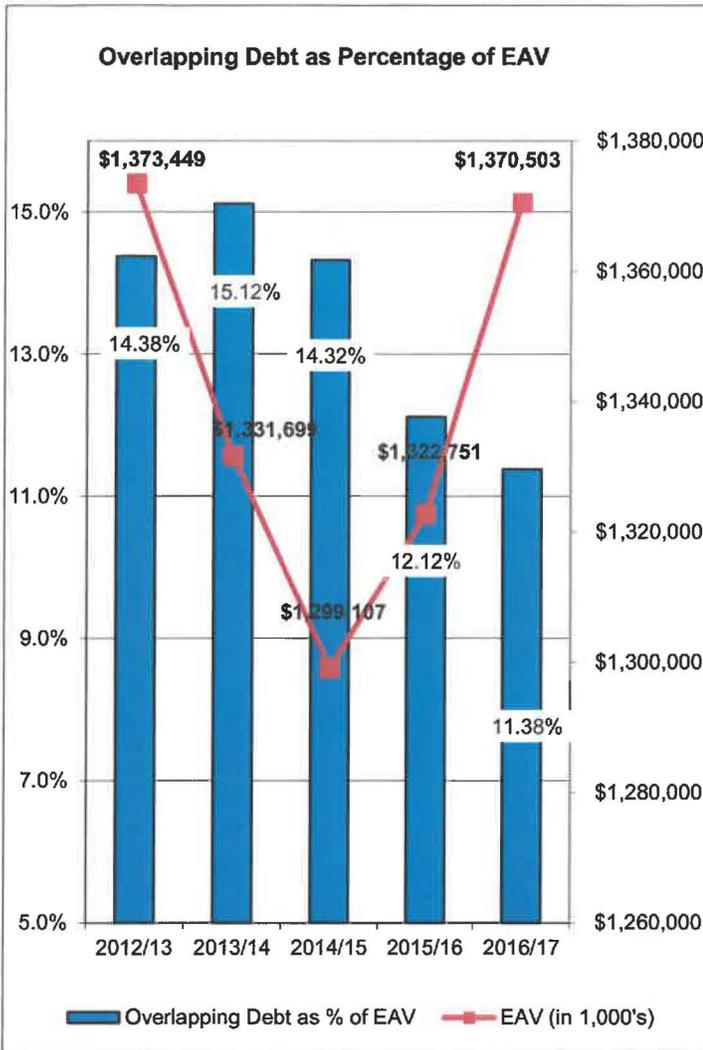
Indicator Description

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 working cash balance of at least 25% of operating expenses. The City's five year trend projections reflect a plan to bring these reserve levels up to this minimum amount.

Trend Analysis

Two graphs in one are presented above (available fund balance as a percentage of operating expenses). Decreases in consumption levels and an outdated rate structure contributed to a decline in the available fund balance through 2011/2012. The City completed a rate study in 2011 and instituted several changes to the electric rate structure which have reversed the trend of declining reserves. Over the long term, the City's projected rate structure plan provides adequate recovery of the utility's costs in keeping with the "business focus" of an enterprise utility fund.

Debt Service Trends: Debt Measures



The City issued \$18.8 million in new debt during fiscal year 2016/2017, including \$11.5 million in refunding debt.

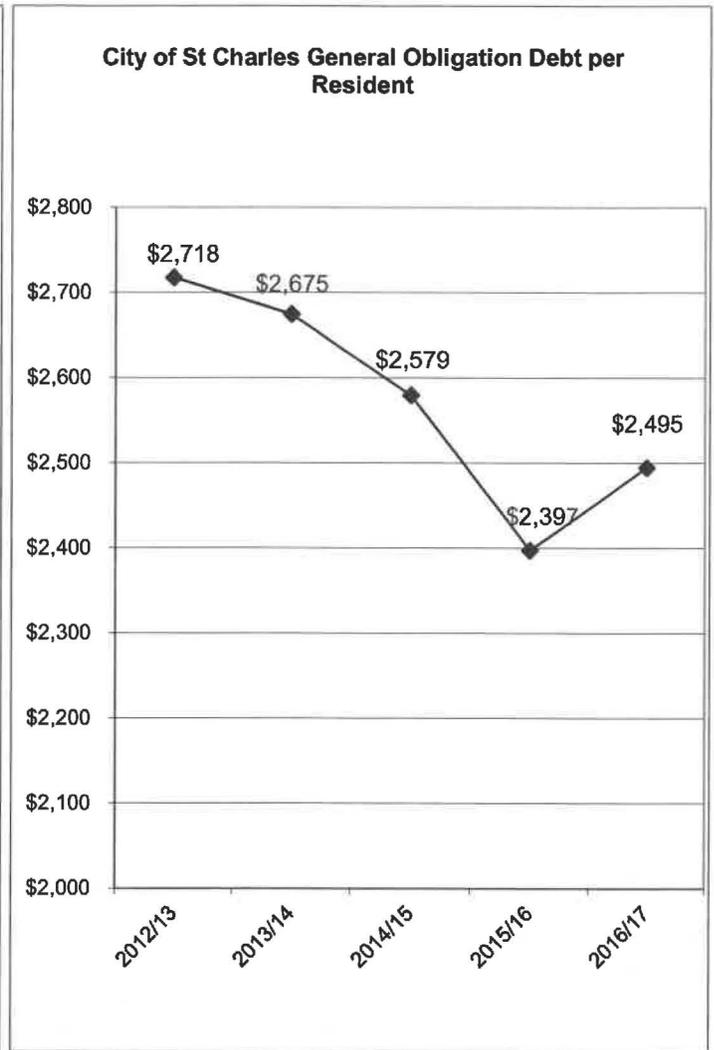
Indicator Description

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 and replacement of aging infrastructure have resulted in debt issuance to meet capital maintenance 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



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

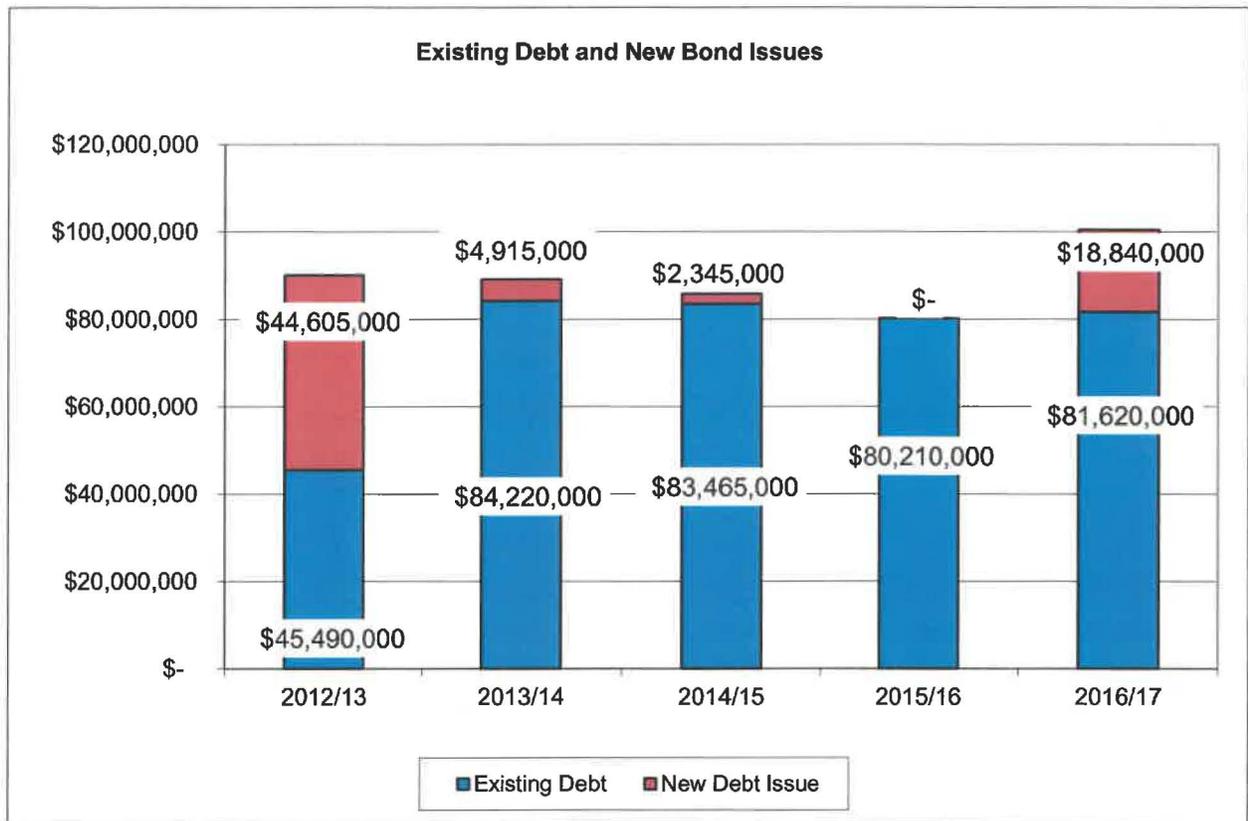
Indicator Description

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

Trend Analysis

Debt per capita had been increasing as the City incurred increasing amounts of debt for capital projects, economic development, and land acquisition. Large scale projects and renovations resulted in the increased debt per resident. However, recently the City has begun paying off some of this debt resulting in the decline reflected above. 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. The FY15/16 debt per resident is down as no bonds were issued in FY 15/16. The bond issue was delayed until FY 16/17.

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. The balance of existing debt has remained somewhat consistent over the last few fiscal years. During 2012/13, debt related to the First Street development was refinanced. This refinancing is the reason for the appearance of a significant increase in the "New Issue" debt for the 2012/13 fiscal year.

Trend Analysis

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

- 2012/13: EAB Tree Program, Red Gate Bridge and related Water/Electric Improvements, First St. Restructuring Bonds
- 2013/14: Property purchase, Municipal Bldg Improvements, Electrical System Improvements and Lift Station Replacement
- 2014/15: City Hall Parking Lot Improvements, Tyler Rd (Il 64 to Kirk Rd) Improvements, Electrical System Improvements
- 2016/17: S. Tyler Rd Reconstruction, Illinois Bridge Repair, Police Building Design, Electrical System Improvements, N. Tyler Rd Watermain; Refunding Bonds

In addition to new projects, the City has taken advantage of the historically low interest rates by refinancing many of its bond issues. Since 2009, the City has refinanced its debt in a manner that will reduce interest costs by \$2.85 million through 2025.

Source: St. Charles CAFR

Community Profile

<u>History</u>	<u>IV - 3</u>
<u>Demographics</u>	<u>IV - 3</u>
<u>Public Health & Safety</u>	<u>IV - 6</u>
<u>Public Works</u>	<u>IV - 8</u>
<u>Water & Wastewater Utilities</u>	<u>IV - 9</u>
<u>Education</u>	<u>IV - 10</u>
<u>Transportation</u>	<u>IV - 11</u>
<u>Property Construction and Sales</u>	<u>IV - 11</u>
<u>Property Taxes</u>	<u>IV - 12</u>

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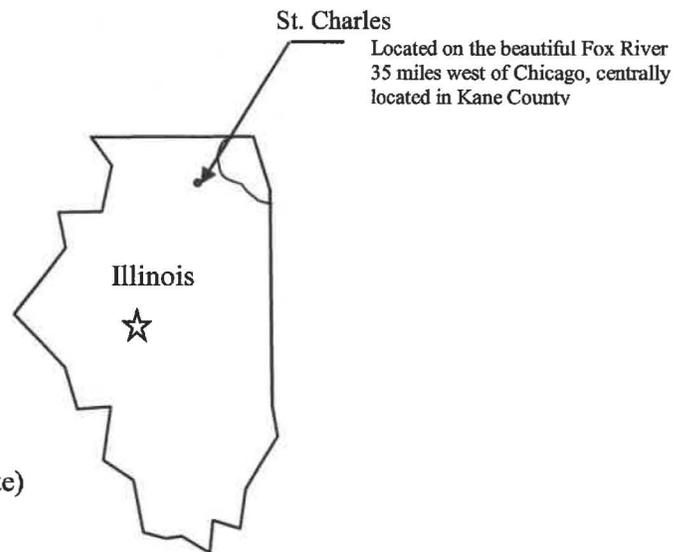
COMMUNITY PROFILE

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 and The Land of Lincoln
State Motto:	“State sovereignty National union”
Population:	12,830,632 (2016 Estimate)
Rank:	5 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, Raymond Rogina, was elected and sworn into office May 1, 2013. He served on the St. Charles City Council as Alderman of Ward Three for two years. 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 year 2000 census results put the City at a population of 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 at 32,974. In 2017, the City's estimated



population was 32,717. The City's population is projected to be 33,533 in the year 2019. The following is a history of population counts, actual and estimated.

	Per Census	Interim Estimate
2007/08	-	31,804
2008/09	-	32,276
2009/10	32,974	-
2010/11	32,974	-
2011/12	-	33,153
2012/13	-	33,327
2013/14	-	33,264
2014/15	-	33,267
2015/16	-	33,460
2016/17	-	32,717

Data Source: *State of Illinois 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 37.91 years in 2012, the last year of available data. We expect this trend to continue through the next decade.

Racial Composition:

White	27,625
Hispanic	2,901
Asian or Pacific Islander	1,277
African American	506
Other Race Alone (of any race)	408
 2016-17 Estimate Population	 Total 32,717

Unemployment Rates:

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
St. Charles	4.9%	7.7%	8.7%	9.0%	7.1%	7.7%	5.7%	5.0%	4.3%	3.3%
Illinois	7.2%	11.3%	9.3%	10.0%	8.7%	9.6%	6.2%	5.9%	6.4%	4.7%
United States	8.1%	10.4%	9.6%	8.3%	7.8%	7.4%	6.3%	5.3%	4.9%	4.1%

Data Source: *www.bls.gov/*

Top Employers in St. Charles

No. of Employees	Employer	Product or Service
1,689	St. Charles School District 303	Education K-12
795	R. R. Donnelly & Sons Co	Business Form Printing
709	Omron Electronics	Automotive relays and controls
315	Smithfield Foods	Sausage & Salami Processing
300	City of St. Charles	Municipal government
275	Jewel-Osco Stores	Grocery Store
252	Pheasant Run Resort	Hotel and Conference center (golf course)
191	Do Paco, Inc	Paperboard Carton
190	Dukane Corporation	Manufacture Sound/Communication Equipment
140	System Sensor	Mfg. Commercial Detectors & Fire Equipment

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 County, DuPage County and the State of Illinois.

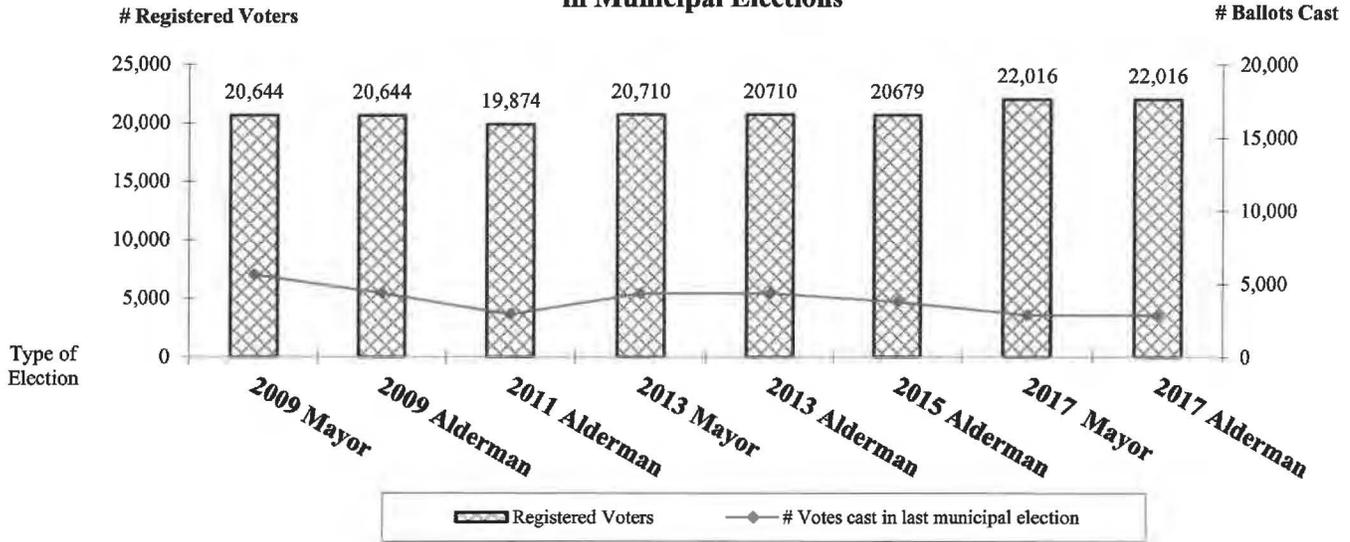


Occupational Categories

<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	45.8%	34.2%	45.1%	37.1%
Service occupations	14.0	16.5	13.2	17.3
Sales and office occupations	28.0	25.2	25.8	24.3
Construction, extraction, and maintenance	3.7	7.8	5.4	7.2
Production, transportation and material moving	<u>8.5</u>	<u>16.3</u>	<u>10.5</u>	<u>14.1</u>
TOTALS	100.0%	100.0%	100.0%	100.0%

Elections

History of Votes Cast in Municipal Elections



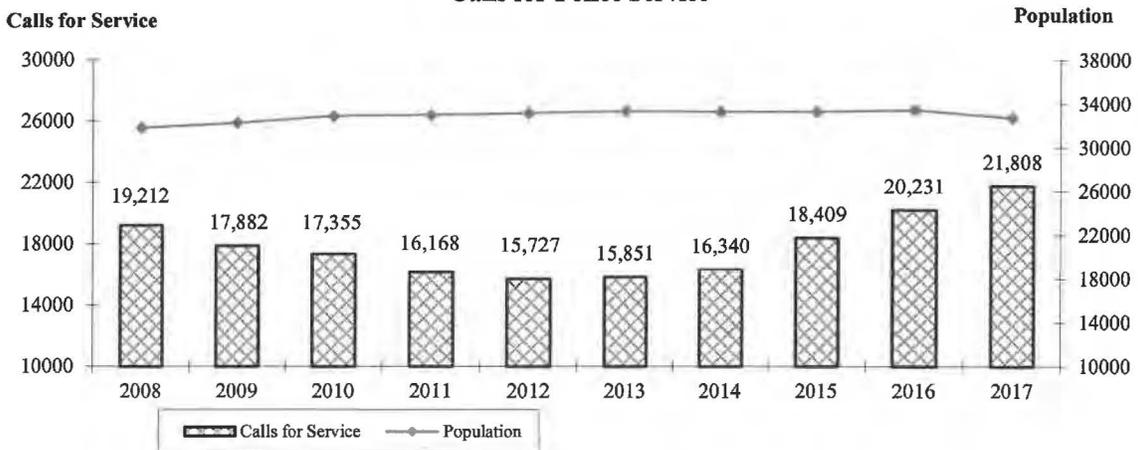
Data Source: Kane County Clerk.

Public Health & Safety

Police Protection:

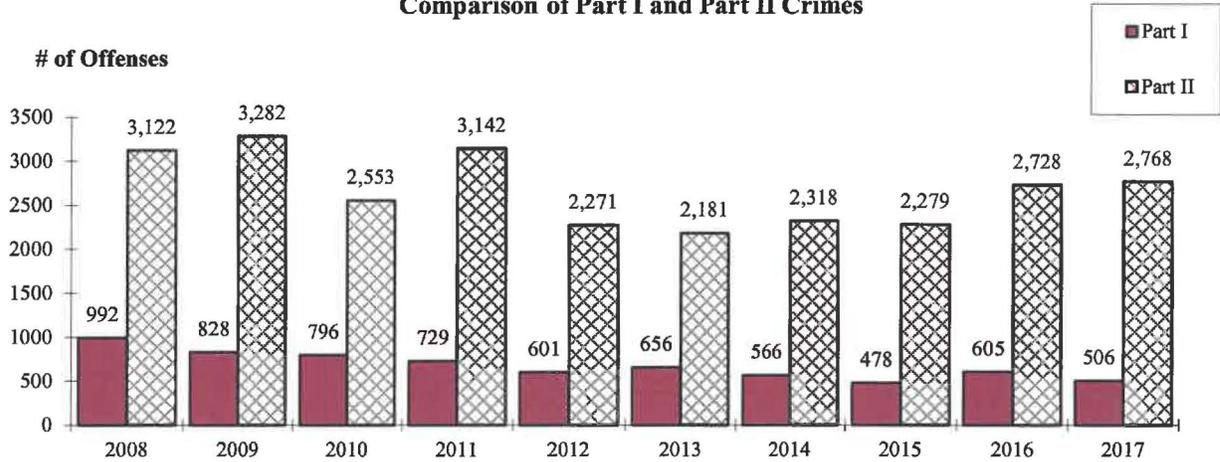
Number of sworn officers -	Chief	1
	Deputy Chiefs	2
	Section Commanders	2
	Sergeants	7
	Detectives	6
	Patrol Officers	32
	K-9	0
		50

Calls for Police Service



The City has experienced an increase in calls for police service over the last few years.

Comparison of Part I and Part II Crimes



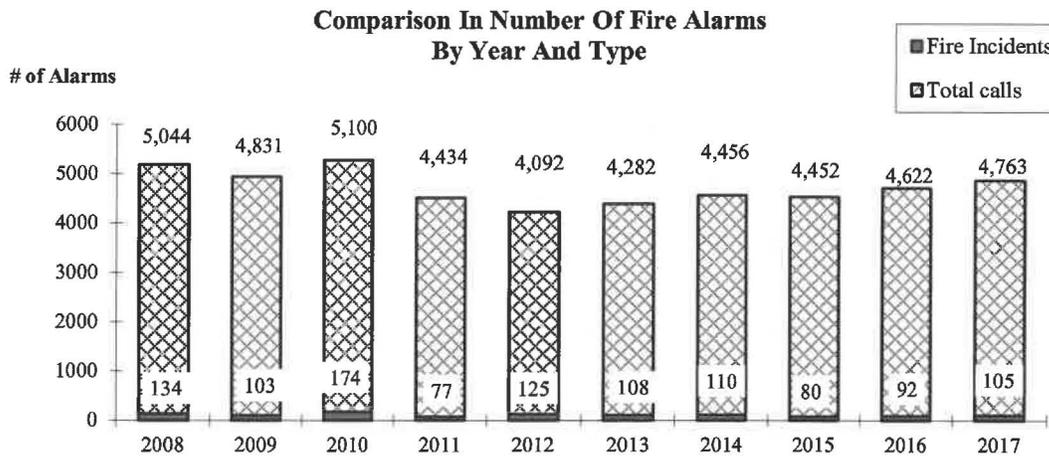
Part I and Part II crime categories are a national standard used to identify types of crime. Part I are generally more serious crimes involving a weapon such as armed robbery, whereas Part II crimes would be theft or battery committed with one's body. The FBI originally set these standards. The relationship 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	2
	Battalion Chiefs	3
	Captains	3
	Lieutenants	11
	Firefighters	27
		47
# of EMA Personnel	19	

The St. Charles Fire Department is an accredited, ISO Class 1 Fire Department. Placing it in the top 1% of all fire department's nationally. Committed to the pursuit of excellence through continuous improvement, the department provides Fire Suppression, Emergency Medical Services, Hazardous Materials response, Technical Rescue response and comprehensive Fire Prevention and Public Education programs.



In 2017, there were 105 fires of all types and the Fire Department responded to 4,763 total calls. The majority of alarms are total call alarms. These are calls for odor and smoke investigation and emergency medical calls.

In 2016, there were 1,342,000 fires reported in the United States. These fires caused 3,390 civilian deaths, 14,650 civilian injuries, and \$10.6 billion in property damage. The St. Charles Fire Department will assist any resident with an exit plan, smoke detector locations and general home safety checks.

Data Source: Annual report – Fire Dept

Public Works

Street miles maintained (center line miles*)	
Residential	132.8
Industrial	11.2
County	5.7
State	<u>18.2</u>
Total	167.9
# of Snow Routes	19

*The City of St. Charles made a change to the tabulation of their maintained street miles. In the past, the City included compounding distance for multi-lane roads. The City's new calculations simplify that process by calculating the actual distance of the road center line, regardless of lane size.

Lester and Dellora Norris designed and built the Arcada 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 de Havilland, 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

Storage Capacity	6,700,000
Gallon Capacity per day	
Outer-pressure	11,890,000
Inner pressure	3,600,000
# of Wells	7
Maximum Day Consumption	7,930,000

Wastewater (East and West Plants)

Gallons of wastewater – daily flow	5,063,742
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Water Pumped vs. Billed

FY 16/17

In Thousands of Gallons

	Gallons Pumped	Gallons Billed	Difference	% of Difference
May	112,343	106,242	6,101	5.43%
June	137,216	118,863	18,353	13.38%
July	147,904	130,492	17,412	11.77%
August	139,740	123,715	16,025	11.47%
September	133,774	110,202	23,572	17.62%
October	118,047	100,544	17,503	14.83%
November	103,745	88,825	14,920	14.38%
December	109,372	90,325	19,047	17.41%
January	110,327	90,395	19,932	18.07%
February	98,140	80,266	17,874	18.21%
March	109,099	89,153	19,946	18.28%
April	116,585	89,290	27,295	23.41%
Total	1,436,292	1,218,312	217,980	15.18%

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 because of the sewer cap.

Data Source: *Public Works-Fact Sheet*

Electric Utilities

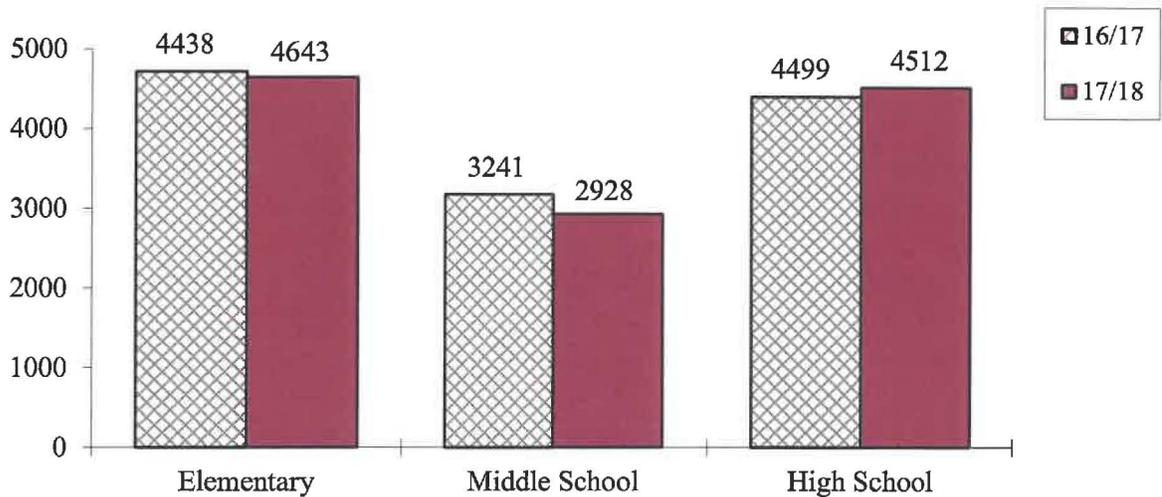
Number of Substations	8
Number of Customers	13,370
Average monthly kWh billed	43,875,593
Total kWh billed 2016/2017	526,507,114

Education

Number of public schools:

Elementary	12
Middle School	2
High School	2
Special Education	1

Enrollment in St. Charles Public Schools



Data Source: www.d303.org

Recreation and Cultural

Parks	62	Libraries	1
Park acreage	1,500	Books owned	264,706
Recreation centers	2	Registered patrons	30,926
Park District pools	2	Churches	16
Public Golf Courses	3	Community Centers	3
Miniature Golf Courses	1	Restaurants	117
Annual Park District Programs	1,700	Banquet Facilities	5
Cultural Arts Center	1	Hotel/Motel Rooms	2,200
Financial Institutions	18	Conference Center	1

Data Source: *Parks Facilities*

Transportation

Major Roads and Highways: East-West Tollway (I-88); and the Northwest Tollway (I-90)

Airports: Chicago's O'Hare International (20 miles northeast); Midway Airport (35 miles southeast); and a local airport for business commuters – DuPage Airport (Eastern border of St Charles-5 min.)

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

Rail: Geneva Metra Station, Union Pacific West Line (1.5 miles south)

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
2004/2005	2	1,460,000	14	11,899,500	168	35,890,014	2,116	97,315,718
2005/2006	4	4,707,204	13	26,905,350	83	22,352,839	1,732	85,875,594
2006/2007	2	1,550,000	7	7,616,000	114	28,891,316	1,828	84,613,179
2007/2008	5	3,805,000	10	13,990,000	58	15,814,030	1,667	61,901,772
2008/2009	2	2,308,000	10	37,357,000	24	10,036,214	1,851	83,659,729
2009/2010	1	1,100,000	4	2,950,000	7	2,722,690	1,683	51,923,958
2010/2011	-	---	1	5,000,000	8	1,910,000	1,872	39,464,013
2011/2012	-	---	3	5,700,000	11	2,515,775	1,700	42,486,962
2012/2013	-	---	1	824,000	24	4,716,101	1,805	39,246,875
2013/2014	-	---	2	2,489,083	35	8,314,796	1,832	40,274,648
2014/2015	1	1,100,000	3	1,785,000	22	6,120,084	1,835	43,652,518
2015/2016	2	6,764,178	4	8,880,000	39	8,477,666	2,261	70,248,020
2016/2017	-	---	4	12,500,000	34	11,801,652	2,206	49,608,619

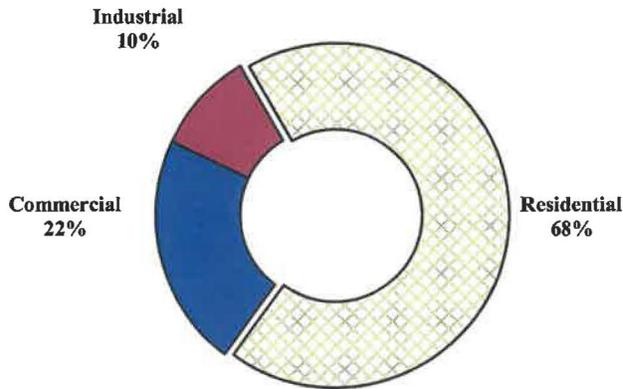
* This total is all residential dwelling units, not number of permits.

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

Data Source: Building & Code Enforcement Dept

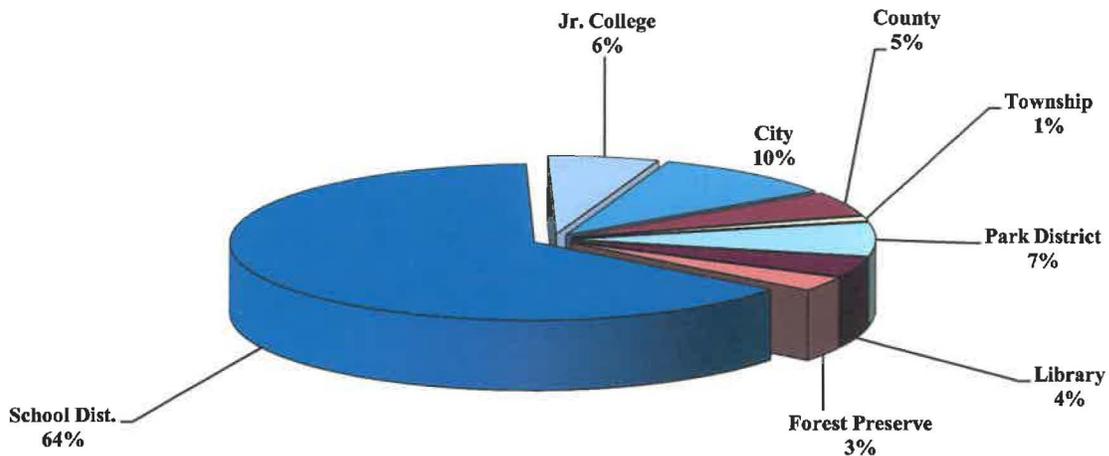
Property Taxes

**Land Use
Based on 2016 EAV**



As the chart shows, 68% 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
2016 Collected in 2017**



**2016 (Levy Year)
Typical Total Tax Rate**

City	\$0.8796
County	.4201
Forest Preserve	.2253
Township	.1354
Cemetery	.0160
Park District	.6419
Library	.3375
School District # 303	5.9501
Junior College # 509	.5296
	\$9.1355

Property taxes only account for 10.0% of total revenues for the City. General fund property taxes account for 30.7% of general fund revenues. That includes funding for the police and fire pensions. Taxes to fund general City services only amount to 24.0% of general fund revenues.



**2016 Municipal Property Tax Rate Comparison
In Same Local Area**

	<u>Municipal Tax Rate</u>	<u>Estimate City *</u> <u>Property Tax</u>
St. Charles	0.8796	\$ 849
Aurora	2.0918	2,019
Batavia	0.6969	673
Elgin	2.3207	2,240
Geneva	0.7112	686

* Based on \$300,000 property value.

2016 Top 10 Property Tax Payers

<u>Taxpayer</u>	<u>2016 Assessed Valuation</u>
Q Center LLC.	\$16,845,619
AMLI at St. Charles	13,986,705
Ashford St Charles LLC	6,192,261
St Charles Resort	6,113,540
SIR Park Shore LLC	5,858,270
Axiom St Charles LLC	5,446,497
Meijer Stores Limited Partnership	5,201,629
Mt Prospect Greens LLC & Fox Run LLC	5,196,138
Slate Main St Holdings LLC	5,095,960
St Charles IL Senior Property LLC	4,999,500

Data Source: Kane County Clerk

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 - 9</u>
<u>Revenues and Expenditures All Funds</u>	<u>V - 12</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

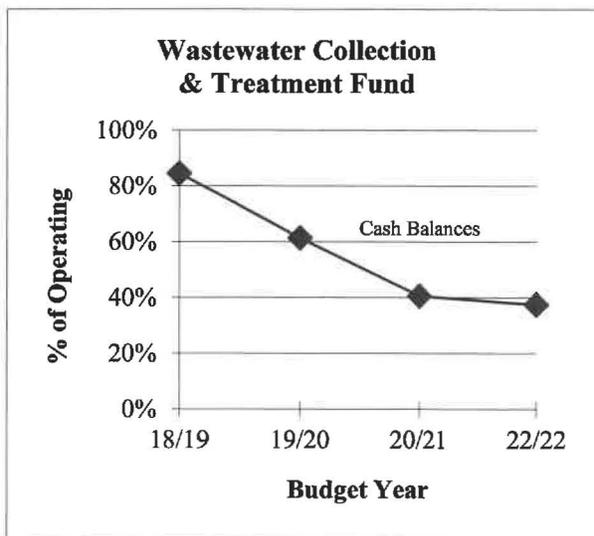
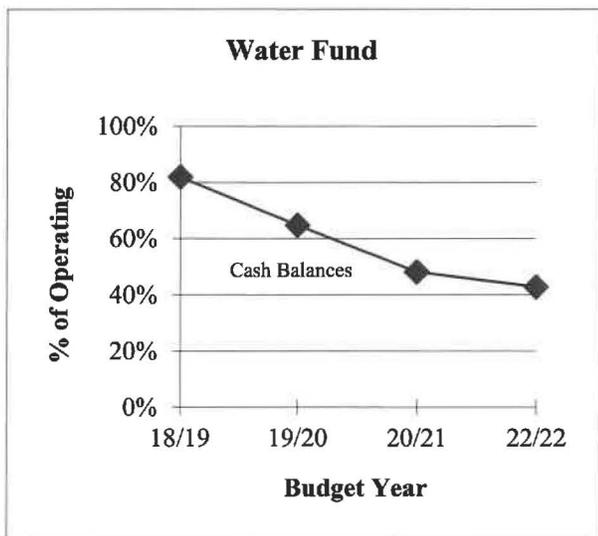
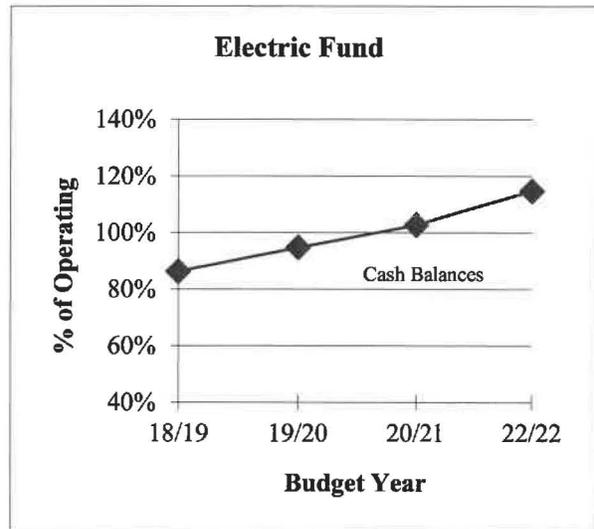
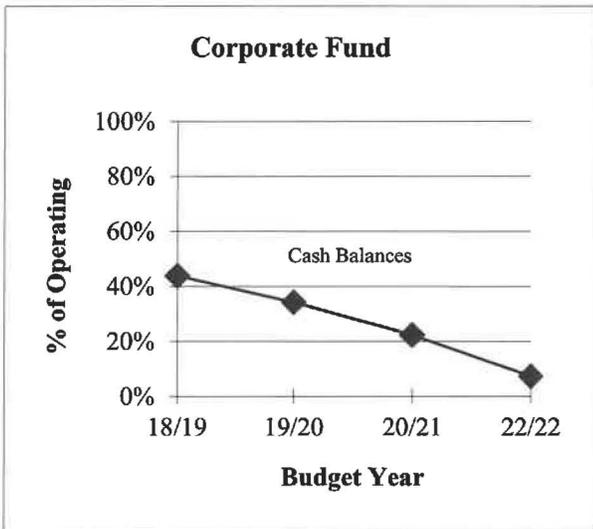
Projected Available

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 18/19 - 21/22

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 a working cash balance of 25% of operating 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 2018/2019
Projected Available Fund Balance**

Fund	Projected Available Fund Balance 5/1/18	Estimated Revenue	Proposed Expenditure	Transfers		Projected Available Fund Balance 4/30/19
				In	Out	
Corporate	\$17,772,387	\$44,227,294	\$38,832,140	\$365,000	\$6,563,053	\$16,969,488
Electric	10,624,492	64,951,455	63,140,125	301,664	483,384	12,254,102
Water	4,538,699	8,653,630	8,994,673		217,737	3,979,919
Sewer	4,878,366	14,941,518	14,013,873		343,790	5,462,221
Refuse	374,856	571,260	785,036	81,259		242,339
TIF Districts	289,197	1,630,324	0		1,032,399	887,122
Motor Fuel Tax	1,349,000	853,000	1,110,000			1,092,000
Police Pension	33,715,012	4,112,278	3,101,109			34,726,181
Fire Pension	37,656,479	3,451,480	2,050,012			39,057,947
Capital Projects	20,190,178	8,615,140	29,422,637	3,769,442	2,830,776	321,347
Debt Service	1,857,181	977,000	8,146,397	7,183,660		1,871,444
ISF-Inventory	0	3,944,637	3,906,694		14,755	23,188
ISF-Vehicles	4,013,597	2,862,066	3,238,864	60,000	18,467	3,678,332
ISF-Health Insurance	3,532,203	4,346,000	4,723,276			3,154,927
ISF-Liability & W/C	4,023,936	1,025,000	988,092		195,000	3,865,844
ISF-Communications	507,717	447,246	480,937		61,664	412,362
Totals	\$145,323,300	\$165,609,328	\$182,933,865	\$11,761,025	\$11,761,025	\$127,998,763

Fund Summary for Fiscal Year 2019/2020
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/19	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/20
Corporate	\$16,969,488	\$44,448,419	\$41,008,990	\$205,000	\$6,629,274	\$13,984,643
Electric	12,254,102	68,401,206	66,730,005	301,664	423,373	13,803,594
Water	3,979,919	9,533,573	10,110,519		189,093	3,213,880
Sewer	5,462,221	32,716,615	33,754,751		313,054	4,111,031
Refuse	242,339	587,700	671,855	85,000		243,184
TIF Districts	887,122	1,792,560	0		1,189,818	1,489,864
Motor Fuel Tax	1,092,000	853,000	1,000,000			945,000
Police Pension	34,726,181	4,289,186	3,184,330			35,831,037
Fire Pension	39,057,947	3,594,350	2,102,241			40,550,056
Capital Projects	321,347	4,222,644	7,420,385	1,761,903	782,650	(1,897,141)
Debt Service	1,871,444	987,000	8,103,481	7,137,709		1,892,672
ISF-Inventory	23,188	4,003,906	3,972,325			54,769
ISF-Vehicles	3,678,332	3,044,098	3,281,389	97,650		3,538,691
ISF-Health Insurance	3,154,927	4,451,613	4,735,348			2,871,192
ISF-Liability & W/C	3,865,844	1,044,989	1,012,708			3,898,125
ISF-Communications	412,362	414,401	572,245		61,664	192,854
Totals	\$127,998,763	\$184,385,260	\$187,660,572	\$9,588,926	\$9,588,926	\$124,723,451

Fund Summary for Fiscal Year 2020/2021
Projected Available Fund Balance

Fund	Projected Available Fund Balance 4/30/20	Estimated Revenue	Proposed Expenditure	Transfers		Projected Available Fund Balance 4/30/21
				In	Out	
Corporate	\$13,984,643	\$44,922,984	\$42,252,665	\$210,000	\$7,451,842	\$9,413,120
Electric	13,803,594	71,907,335	70,194,258	301,664	422,250	15,396,085
Water	3,213,880	9,053,325	9,625,314		188,357	2,453,534
Sewer	4,111,031	17,917,922	18,924,536		311,894	2,792,523
Refuse	243,184	604,130	818,436	215,000		243,878
TIF Districts	1,489,864	1,684,425	0		1,230,807	1,943,482
Motor Fuel Tax	945,000	853,000	1,000,000			798,000
Police Pension	35,831,037	4,474,044	3,269,665			37,035,416
Fire Pension	40,550,056	3,745,970	2,155,756			42,140,270
Capital Projects	(1,897,141)	9,706,192	10,756,142	1,764,403	782,650	(1,965,338)
Debt Service	1,892,672	997,000	8,826,206	7,860,747		1,924,213
ISF-Inventory	54,769	4,000,862	3,963,887			91,744
ISF-Vehicles	3,538,691	3,117,416	2,125,928	97,650		4,627,829
ISF-Health Insurance	2,871,192	4,609,384	5,125,018			2,355,558
ISF-Liability & W/C	3,898,125	1,065,388	1,050,800			3,912,713
ISF-Communications	192,854	509,559	451,055		61,664	189,694
Totals	\$124,723,451	\$179,168,936	\$180,539,666	\$10,449,464	\$10,449,464	\$123,352,721

Fund Summary for Fiscal Year 2021/2022
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/21	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/22
Corporate	\$9,413,120	\$45,385,424	\$43,834,548	\$220,000	\$7,985,043	\$3,198,953
Electric	15,396,085	72,913,639	72,274,803	301,664	423,852	15,912,733
Water	2,453,534	9,561,372	9,584,409		188,157	2,242,340
Sewer	2,792,523	13,541,608	13,360,238		312,044	2,661,849
Refuse	243,878	622,080	699,058	80,000		246,900
TIF Districts	1,943,482	1,285,486	0		1,273,154	1,955,814
Motor Fuel Tax	798,000	853,000	1,000,000			651,000
Police Pension	37,035,416	4,667,272	3,358,000			38,344,688
Fire Pension	42,140,270	3,903,042	2,210,587			43,832,725
Capital Projects	(1,965,338)	6,526,672	8,286,080	1,758,528	782,650	(2,748,868)
Debt Service	1,924,213	1,007,000	9,532,670	8,568,722		1,967,265
ISF-Inventory	91,744	4,122,999	4,107,226			107,517
ISF-Vehicles	4,627,829	3,193,474	2,639,286	97,650		5,279,667
ISF-Health Insurance	2,355,558	4,775,569	5,228,380			1,902,747
ISF-Liability & W/C	3,912,713	1,086,194	1,071,815			3,927,092
ISF-Communications	189,694	317,721	285,121		61,664	160,630
Totals	\$123,352,721	\$173,762,552	\$177,472,221	\$11,026,564	\$11,026,564	\$119,643,052

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.

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 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 project 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 only can 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.

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 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 and temporary storage of materials and supplies inventory that is provided to the various City funds.

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

Communication Fund – used to account for communications infrastructure costs that are provided to the various City funds.

Fiduciary Funds

These funds are used when a government holds or manages financial resources in an agent or fiduciary capacity.

Pension Trust Funds

Pension trust funds are used to manage pension plans.

Police and Firefighter's Pension – provides for payment of retirement benefits. Funding comes from investment income, City contributions (funded primarily by property tax revenues) and employee contributions.

Summary of Revenues and Expenditures (Expenses)

All Funds

Actual FY 16/17	Estimate FY 17/18		Proposed FY 18/19	-----Projected-----		
				FY 19/20	FY 20/21	FY 21/22
Revenues						
14,000,980	13,901,954	Property Taxes	14,145,325	14,310,117	14,203,731	13,808,022
17,964,815	18,536,222	Sales & Use Taxes	19,004,362	19,285,427	19,583,266	19,890,526
1,130,982	1,191,395	Liquor Tax	1,217,460	1,247,352	1,284,776	1,323,315
3,738,183	3,623,685	Franchise Fees	3,951,640	3,977,742	4,000,433	4,019,750
1,958,335	1,884,624	Hotel Occupation Tax	1,984,953	2,019,782	2,080,375	2,142,787
58,839	57,119	Admission Tax	76,644	77,330	78,023	78,723
901,280	866,870	Telecommunications Fee	862,259	825,000	800,000	772,000
557,836	730,867	Licenses & Permits	713,057	724,142	749,233	749,261
231,037	1,172,271	Connection Fees	361,000	361,000	241,000	241,000
77,831,031	78,487,406	User Charges	80,639,879	83,248,503	86,023,796	88,599,822
4,025,996	3,678,691	Intergovernmental Revenue	3,866,187	3,871,936	3,942,560	3,924,557
870,414	871,140	Motor Fuel Tax	845,000	845,000	845,000	845,000
934,624	1,251,325	Reimbursement for Improvements	185,000	182,000	182,500	1,183,500
552,401	530,822	Reimbursement for Services	592,720	428,983	410,550	408,133
4,386,997	5,031,087	Pension Contributions	5,722,346	5,988,076	6,266,462	6,558,154
368,726	422,750	Fines & Court Fees	426,470	431,970	437,470	442,970
5,724,254	3,857,089	Investment Income	2,302,084	2,353,458	2,420,711	2,477,535
3,388,090	3,587,673	Charges to Other Funds	4,008,966	4,267,925	4,335,533	4,534,853
2,649,881	2,687,815	Sale of Property	3,005,500	3,000,000	3,000,000	3,000,000
2,070,688	1,444,685	Miscellaneous Revenue	1,419,395	1,451,903	1,484,386	1,505,984
5,256,821	5,262,021	Insurance Premiums	5,324,000	5,449,102	5,626,772	5,813,263
27,521,012	36,930,265	Capital Financing Proceeds	14,955,081	30,038,512	21,172,359	11,443,397
176,123,222	186,007,776	Sub-Total	165,609,328	184,385,260	179,168,936	173,762,552
9,678,513	12,716,338	Transfers In	11,761,025	9,588,926	10,449,464	11,026,564
185,801,735	198,724,114	Total	177,370,353	193,974,186	189,618,400	184,789,116
Expenditures/Expenses						
35,545,511	19,476,603	General Government	22,688,843	23,216,600	24,211,960	24,853,403
28,002,279	32,952,083	Public Health and Safety	51,814,934	33,420,984	33,652,707	35,660,162
14,656,897	15,617,204	Public Works	16,433,907	15,888,752	19,934,072	18,255,670
76,226,133	96,914,456	Public Utilities	86,629,608	111,167,520	99,195,163	95,504,571
4,680,893	3,325,516	Community Development	5,366,573	3,966,716	3,545,764	3,198,415
159,111,713	168,285,862	Sub-Total	182,933,865	187,660,572	180,539,666	177,472,221
9,678,513	12,716,338	Transfers Out	11,761,025	9,588,926	10,449,464	11,026,564
168,790,226	181,002,200	Total	194,694,890	197,249,498	190,989,130	188,498,785
17,011,509	17,721,914	Excess (Deficiency) of Revenues over Expenditures/Expenses	(17,324,537)	(3,275,312)	(1,370,730)	(3,709,669)

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.

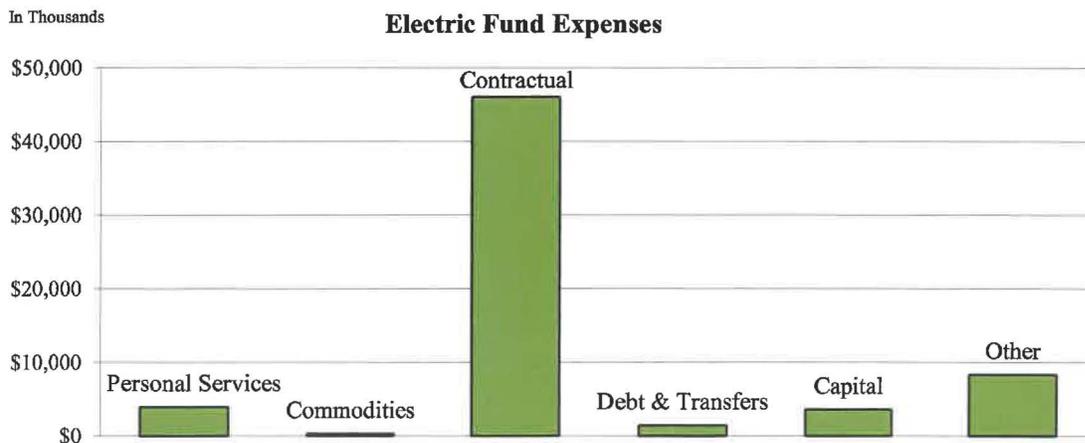
<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>Projected</u> FY 19/20	<u>Projected</u> FY 20/21	<u>Projected</u> FY 21/22
		Revenues				
12,447,464	12,389,897	Property Taxes	12,457,873	12,459,905	12,460,765	12,462,181
17,025,806	17,534,129	Sales & Use Taxes	18,029,362	18,300,427	18,588,266	18,885,526
1,130,982	1,191,395	Liquor Tax	1,217,460	1,247,352	1,284,776	1,323,315
3,738,183	3,623,685	Franchise Fees	3,951,640	3,977,742	4,000,433	4,019,750
58,839	57,119	Admissions Taxes	76,644	77,330	78,023	78,723
1,905,544	1,884,624	Hotel Occupation Tax	1,984,953	2,019,782	2,080,375	2,142,787
901,280	866,870	Telecommunications Fee	862,259	825,000	800,000	772,000
557,836	730,867	Licenses & Permits	713,057	724,142	749,233	749,261
3,441,219	3,345,801	Intergovernmental Revenue	3,597,187	3,631,936	3,701,060	3,771,557
552,401	530,822	Reimbursement for Services	592,720	428,983	410,550	408,133
368,726	422,750	Fines & Court Fees	426,470	431,970	437,470	442,970
164,853	235,767	Investment Income	188,500	194,500	202,500	199,500
199,931	111,831	Miscellaneous Revenue	129,169	129,350	129,533	129,721
190,000	195,000	Transfers In	365,000	205,000	210,000	220,000
42,683,064	43,120,557	Total	44,592,294	44,653,419	45,132,984	45,605,424
		Expenditures				
		General Government				
4,227,099	4,483,191	Personal Services	4,610,888	4,874,861	5,038,666	5,346,058
1,951,807	2,033,184	Other Operating	2,157,792	2,374,961	2,360,787	2,328,872
(3,060,420)	(3,130,470)	Allocations to Other Funds	(2,221,896)	(2,266,284)	(2,311,704)	(2,357,916)
41,319	55,451	Capital	21,700	21,700	23,200	21,700
3,159,805	3,441,356	Sub-Total	4,568,484	5,005,238	5,110,949	5,338,714
		Public Health and Safety				
18,268,754	19,490,010	Personal Services	20,559,331	21,516,933	22,597,125	23,716,279
3,409,688	3,603,564	Other Operating	3,657,058	4,231,625	4,207,125	4,279,297
75,904	85,494	Capital	76,000	96,000	82,000	84,500
21,754,346	23,179,068	Sub-Total	24,292,389	25,844,558	26,886,250	28,080,076
		Public Works				
3,397,779	3,685,425	Personal Services	3,793,815	3,947,970	4,124,131	4,303,936
4,891,878	5,511,051	Other Operating	5,794,719	5,906,360	6,008,425	6,156,527
(1,564,824)	(1,606,764)	Allocations to Other Funds	(2,561,712)	(2,612,928)	(2,665,200)	(2,718,504)
3,214	950	Capital	950	0	0	0
4,586	4,586	Debt Retirement	4,586	4,586	4,586	4,586
6,732,633	7,595,248	Sub-Total	7,032,358	7,245,988	7,471,942	7,746,545
		Community Development				
1,675,156	1,750,381	Personal Services	1,914,450	2,000,052	2,097,558	2,232,856
1,399,871	1,214,630	Other Operating	1,395,843	1,294,154	1,074,622	832,789
(379,524)	(389,016)	Allocations to Other Funds	(373,584)	(381,000)	(388,656)	(396,432)
1,014	4,425	Capital	2,200	0	0	0
2,696,517	2,580,420	Sub-Total	2,938,909	2,913,206	2,783,524	2,669,213
		Transfers				
3,346,389	3,645,493	Transfers Out - Debt Service	4,314,294	4,624,274	5,316,842	5,985,043
2,886,129	2,921,708	Transfers Out - Other	2,248,759	2,005,000	2,135,000	2,000,000
6,232,518	6,567,201	Sub-Total	6,563,053	6,629,274	7,451,842	7,985,043
40,575,819	43,363,293	Total	45,395,193	47,638,264	49,704,507	51,819,591
		Excess (Deficiency) of				
2,107,245	(242,736)	Revenues over Expenditures	(802,899)	(2,984,845)	(4,571,523)	(6,214,167)
25,971,924	27,889,169	Beginning Fund Balance	27,646,433	26,843,534	23,858,689	19,287,166
(190,000)	0	Net Interfund/Debt Adjustments	0	0	0	0
27,889,169	27,646,433	Ending Fund Balance	26,843,534	23,858,689	19,287,166	13,072,999

*FY 18/19 deficiency is to be funded by prior year reserves and reimbursement of prior advances to other funds.

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 8 electric substations in the City that serve approximately 13,370 residential and 2,304 commercial customers.

Actual FY 16/17	Estimate FY 17/18		Proposed FY 18/19	Projected		
				FY 19/20	FY 20/21	FY 21/22
		Revenues				
27,795	82,755	Connection Fees	71,000	71,000	71,000	71,000
62,273,904	61,803,049	User Charges	62,651,767	64,404,918	66,206,847	68,059,506
35,000	35,000	Property Taxes	35,000	35,000	35,000	35,000
49,055	123,874	Investment Income	85,000	87,500	90,000	90,000
933,424	1,251,325	Reimbursements for Improvements	185,000	182,000	182,500	1,183,500
527,756	491,739	Miscellaneous Revenue	523,688	535,788	550,588	554,633
3,112,497	2,230,000	Capital Financing Proceeds	1,400,000	3,085,000	4,771,400	2,920,000
318,712	162,664	Transfers In	301,664	301,664	301,664	301,664
67,278,143	66,180,406	Total	65,253,119	68,702,870	72,208,999	73,215,303
		Expenses				
		Public Utilities				
3,774,489	3,652,748	Personal Services	3,943,893	4,177,858	4,463,528	4,920,612
48,802,510	49,476,489	Other Operating	52,898,304	54,041,827	55,050,987	56,232,032
1,971,701	2,068,619	Allocations from Other Funds	1,763,592	1,798,812	1,834,824	1,871,532
4,129,837	7,961,591	Capital	3,571,000	5,781,250	7,574,100	7,618,000
1,125,022	1,282,771	Debt Retirement	963,336	930,258	1,270,819	1,632,627
59,803,559	64,442,218	Sub-Total	63,140,125	66,730,005	70,194,258	72,274,803
498,428	499,870	Transfers Out - Debt Service	417,079	423,373	422,250	423,852
0	0	Transfers Out - Other	66,305	0	0	0
498,428	499,870	Sub-Total	483,384	423,373	422,250	423,852
60,301,987	64,942,088	Total	63,623,509	67,153,378	70,616,508	72,698,655
		Excess (Deficiency) of				
6,976,156	1,238,318	Revenues over Expenses	1,629,610	1,549,492	1,592,491	516,648
60,530,615	67,960,939	Beginning Net Assets	69,199,257	70,828,867	72,378,359	73,970,850
454,168	0	Net Fixed Asset/Debt Adjustments	0	0	0	0
67,960,939	69,199,257	Ending Net Assets	70,828,867	72,378,359	73,970,850	74,487,498

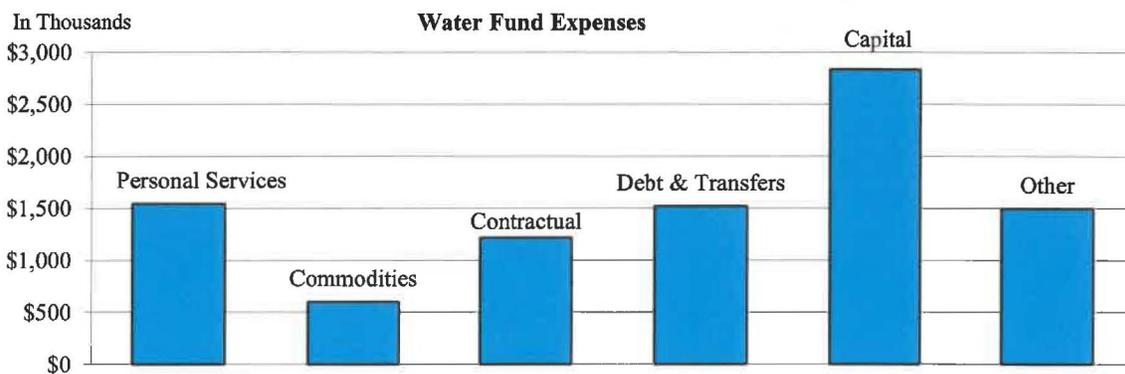
Electric service is supported almost entirely through user charges. Shown below is a graph of expenses for the electric fund budgeted for FY 18/19. The City entered into a contract to buy electric power from IMEA starting in June 2007. It constitutes approximately 79% of operating costs. Due to increasing wholesale power costs, a small rate increase is proposed in each of the next 4 years to match the expected increase in wholesale power costs.



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 4,500,000 gallons.

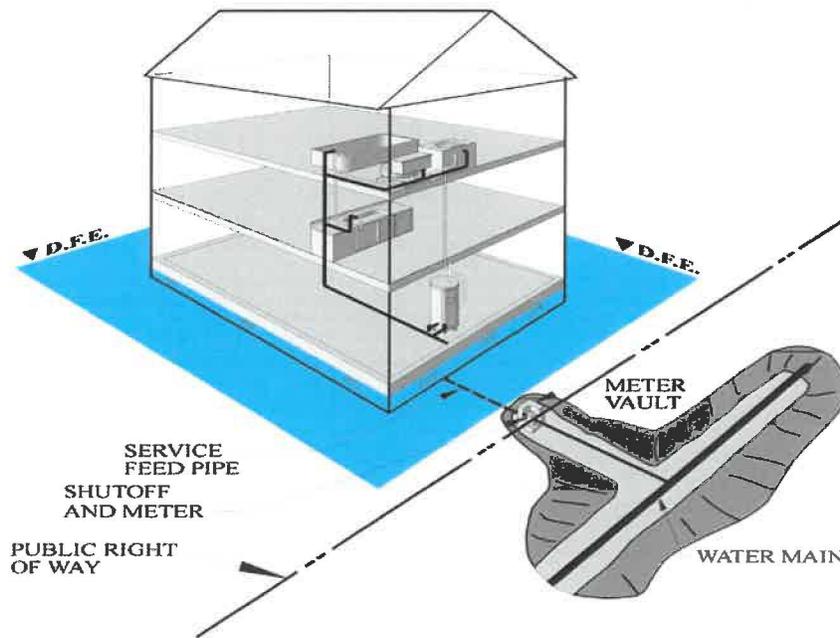
Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
74,931	0	Connection Fees	0	0	0	0
5,711,490	6,121,072	User Charges	6,494,689	6,722,003	6,957,273	7,200,778
32,003	47,220	Investment Income	39,000	38,000	39,500	40,000
0	144,660	Intergovernmental Revenue	0	0	0	0
304,648	283,003	Miscellaneous Revenue	326,341	332,403	337,835	343,377
3,068,440	672,000	Capital Financing Proceeds	1,673,600	2,321,167	1,658,717	1,917,217
9,191,512	7,267,955	Total	8,533,630	9,413,573	8,993,325	9,501,372
		Expenses				
		Public Utilities				
1,463,804	1,447,741	Personal Services	1,543,489	1,605,860	1,671,196	1,743,780
1,640,693	1,757,208	Other Operating	2,010,429	2,025,485	2,067,371	2,113,101
896,012	908,373	Allocations from Other Funds	1,305,636	1,331,724	1,358,364	1,385,532
1,325,721	2,456,860	Capital	2,833,800	3,684,891	3,010,765	2,715,189
912,061	1,271,854	Debt Retirement	1,301,319	1,462,559	1,517,618	1,626,807
6,238,291	7,842,036	Sub-Total	8,994,673	10,110,519	9,625,314	9,584,409
159,416	159,509	Transfers Out - Debt Service	187,318	189,093	188,357	188,157
0	0	Transfers Out - Other	30,419	0	0	0
159,416	159,509	Sub-Total	217,737	189,093	188,357	188,157
6,397,707	8,001,545	Total	9,212,410	10,299,612	9,813,671	9,772,566
		Excess (Deficiency) of				
2,793,805	(733,590)	Revenues over Expenses	(678,780)	(886,039)	(820,346)	(271,194)
19,887,740	20,688,551	Beginning Net Assets	19,954,961	19,276,181	18,390,142	17,569,796
(1,992,994)	0	Net Fixed Asset/Debt Adjustments	0	0	0	0
20,688,551	19,954,961	Ending Net Assets	19,276,181	18,390,142	17,569,796	17,298,602

Shown below are the expenditures for the budget year 18/19. Rate increases are proposed for the next four fiscal years.



Water Connection Fund - The water connection fund is used to account for fees allowing connection with the city water systems.

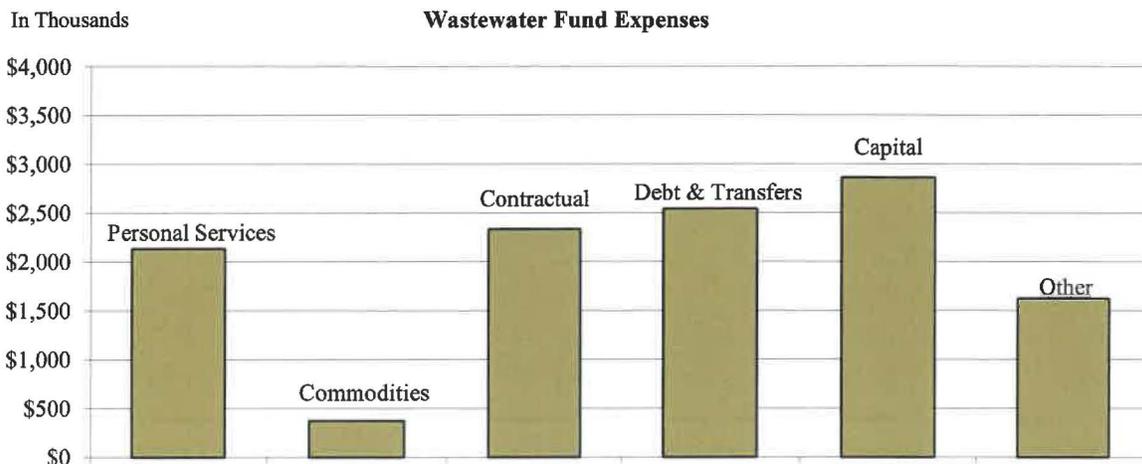
Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
0	358,394	Connection Fees	120,000	120,000	60,000	60,000
0	603	Investment Income	0	0	0	0
0	0	Miscellaneous Revenue	0	0	0	0
0	358,997	Total	120,000	120,000	60,000	60,000
		Expenses				
		Public Utilities				
0	0	Other Operating	0	0	0	0
0	0	Capital	0	0	0	0
0	0	Debt Retirement	0	0	0	0
0	0	Total	0	0	0	0
		Excess (Deficiency) of				
0	358,997	Revenues over Expenses	120,000	120,000	60,000	60,000
0	0	Beginning Net Assets	358,997	478,997	598,997	658,997
0	358,997	Ending Net Assets	478,997	598,997	658,997	718,997



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 5,000,000 of wastewater with a capacity of 9,700,000.

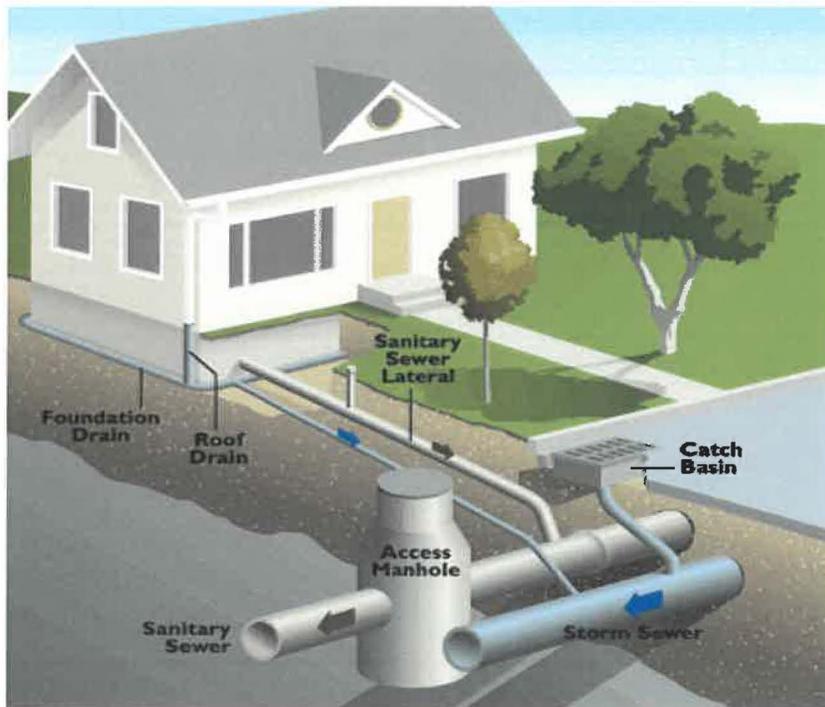
Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
128,311	0	Connection Fees	0	0	0	0
8,891,308	9,567,373	User Charges	10,506,466	11,151,185	11,777,899	12,431,841
16,381	31,604	Investment Income	20,000	22,000	24,000	25,500
27,557	29,151	Intergovernmental Revenue	29,000	30,000	31,500	33,000
340,064	329,875	Miscellaneous	360,992	372,310	382,283	395,067
0	14,918,379	Capital Financing Proceeds	1,361,060	1,994,120	5,590,240	544,200
9,403,621	24,876,382	Total	12,277,518	13,569,615	17,805,922	13,429,608
		Expenses				
		Public Utilities				
2,102,845	2,065,478	Personal Services	2,133,136	2,219,293	2,318,220	2,416,194
2,690,787	2,682,013	Other Operating	3,000,966	3,127,330	3,177,764	3,265,426
1,332,164	1,347,093	Allocations from Other Funds	1,330,296	1,356,876	1,384,032	1,411,704
1,649,733	15,999,687	Capital	2,860,110	4,554,265	7,424,952	1,758,745
2,057,043	2,162,331	Debt Retirement	2,197,365	3,521,987	4,619,568	4,508,169
9,832,572	24,256,602	Sub-Total	11,521,873	14,779,751	18,924,536	13,360,238
303,692	304,175	Transfers Out - Debt Service	309,450	313,054	311,894	312,044
0	0	Transfers Out - Other	34,340	0	0	0
303,692	304,175	Sub-Total	343,790	313,054	311,894	312,044
10,136,264	24,560,777	Total	11,865,663	15,092,805	19,236,430	13,672,282
		Excess (Deficiency) of				
(732,643)	315,605	Revenues over Expenses	411,855	(1,523,190)	(1,430,508)	(242,674)
27,918,083	28,373,685	Beginning Net Assets	28,689,290	29,101,145	27,577,955	26,147,447
1,188,245	0	Net Fixed Asset/Debt Adjustments	0	0	0	0
28,373,685	28,689,290	Ending Net Assets	29,101,145	27,577,955	26,147,447	25,904,773

Shown below is a graph of the expenditures for the wastewater fund for budget year 18/19. The wastewater fund has outstanding debt in the amount of \$20,668,148. \$17,731,715 of this is on the EPA projects. Rate increases are projected for each of the next four fiscal years.



Wastewater Connection Fund - The wastewater connection fund is used to account for fees allowing connection with the city sewer systems and tributary to the wastewater treatment facilities.

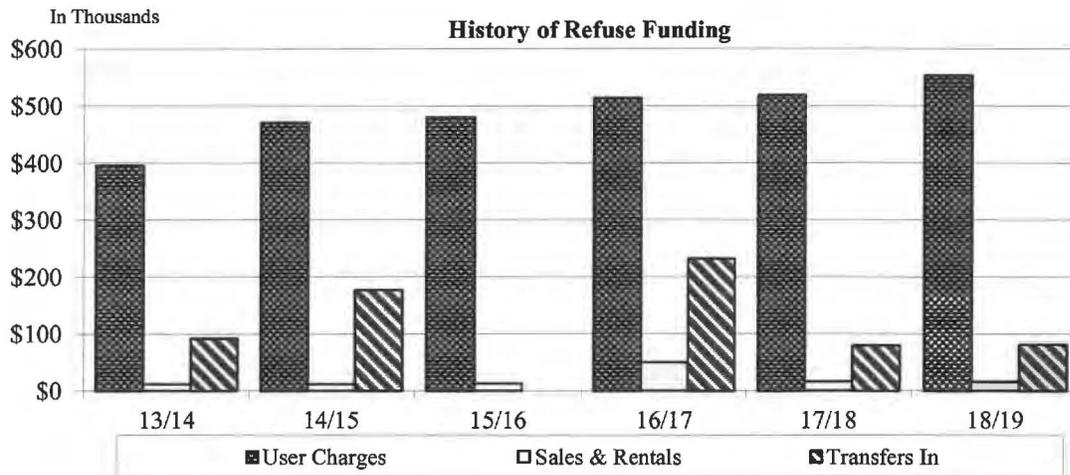
Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
0	731,122	Connection Fees	170,000	170,000	110,000	110,000
0	1,225	Investment Income	2,000	2,000	2,000	2,000
0	0	Miscellaneous Revenue	0	0	0	0
0	0	Capital Financing Proceeds	2,492,000	18,975,000	0	0
0	732,347	Total	2,664,000	19,147,000	112,000	112,000
		Expenses				
		Public Utilities				
0	0	Other Operating	0	0	0	0
0	0	Capital	2,492,000	18,975,000	0	0
0	0	Debt Retirement	0	0	0	0
0	0	Total	2,492,000	18,975,000	0	0
0	732,347	Excess (Deficiency) of Revenues over Expenses	172,000	172,000	112,000	112,000
0	0	Beginning Net Assets	732,347	904,347	1,076,347	1,188,347
0	0	Net Fixed Asset/Debt Adjustments	0	0	0	0
0	732,347	Ending Net Assets	904,347	1,076,347	1,188,347	1,300,347



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. The budget reflects a biennial schedule for the Spring Clean-up Program. Additionally an increase to the Yard Waste Fee is scheduled for FY 18/19. St. Charles encourages recycling.

Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
513,855	519,438	User Charges	553,560	570,000	586,380	604,300
1,290	1,875	Investment Income	1,800	1,800	1,850	1,880
6,600	6,600	Rental Income	6,600	6,600	6,600	6,600
44,095	10,266	Miscellaneous	9,300	9,300	9,300	9,300
232,345	80,000	Transfers In	81,259	85,000	215,000	80,000
798,185	618,179	Total	652,519	672,700	819,130	702,080
		Expenses				
		Public Health and Safety				
739,057	559,586	Other Operating	679,136	563,831	708,228	586,642
92,824	69,744	Allocations from Other Funds	105,900	108,024	110,208	112,416
831,881	629,330	Total	785,036	671,855	818,436	699,058
		Excess (Deficiency) of				
(33,696)	(11,151)	Revenues over Expenses	(132,517)	845	694	3,022
450,606	416,910	Beginning Net Assets	405,759	273,242	274,087	274,781
416,910	405,759	Ending Net Assets	273,242	274,087	274,781	277,803

The refuse fund has been supported in past years from interfund transfers from the corporate fund. 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, St. Charles Manufacturing, Lexington Club Development and Central Downtown.

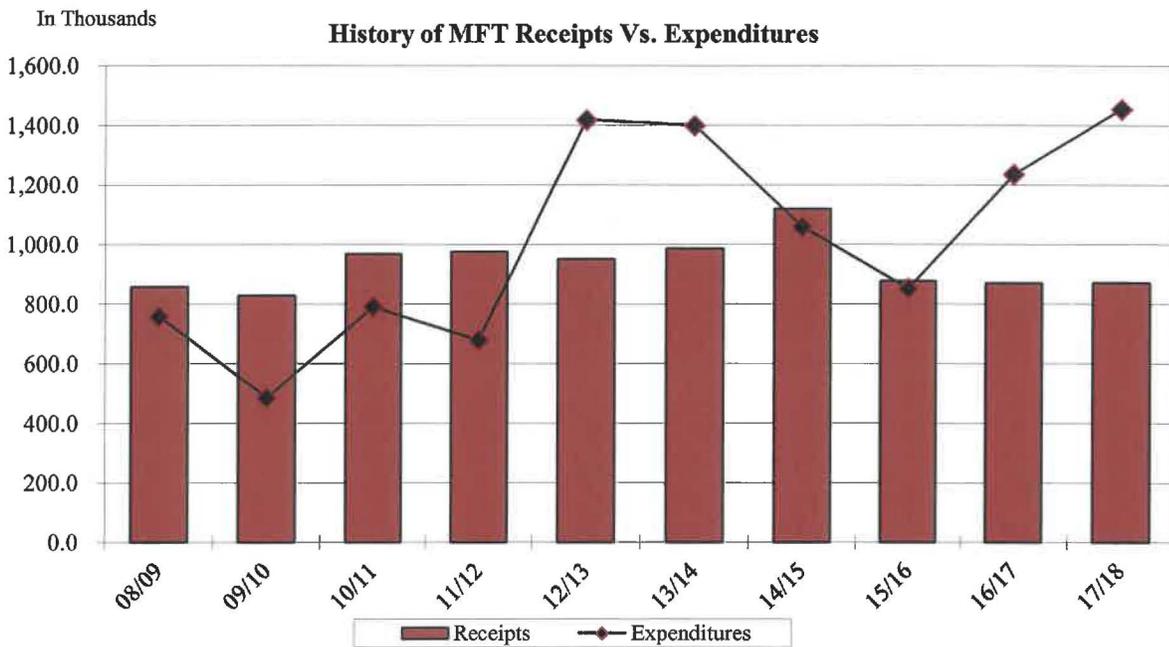
<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>-----Projected-----</u>		
				FY 19/20	FY 20/21	FY 21/22
		Revenues				
155,557	150,459	Property Taxes - Hotel Baker TIF	150,459	153,091	0	0
524,440	431,348	Property Taxes - Moline TIF	433,504	435,671	440,028	0
0	69,118	Property Taxes - Mall TIF	61,000	150,000	175,000	200,000
485,008	459,157	Property Taxes - First Street TIF	463,750	468,387	473,071	477,802
190,349	191,660	Property Taxes - St. Charles Mfg. TIF	192,618	193,582	193,582	194,550
8,972	12,059	Property Taxes - Lexington Club TIF	12,121	12,181	12,181	12,242
129,715	138,951	Property Taxes - Downtown TIF	314,000	376,800	388,104	399,747
28,155	0	Sales & Use Taxes	0	0	0	0
52,791	0	Hotel Occupation Tax	0	0	0	0
1,529	2,943	Investment Income	2,872	2,848	2,459	1,145
1,576,516	1,455,695	Total	1,630,324	1,792,560	1,684,425	1,285,486
		Expenditures				
		Community Development				
125,322	14,146	Other Operating	0	0	0	0
125,322	14,146	Sub-Total	0	0	0	0
		Transfers				
258,525	0	Transfers Out - Hotel Baker TIF	0	0	0	0
336,325	341,250	Transfers Out - Moline TIF	0	0	0	0
124,433	0	Transfers Out - Mall TIF	61,000	150,000	175,000	200,000
493,323	459,619	Transfers Out - First Street TIF	464,268	468,908	473,592	478,325
190,439	191,850	Transfers Out - St. Charles Mfg. TIF	192,845	193,810	193,810	194,779
102,000	159,633	Transfers Out - Downtown TIF	314,286	377,100	388,405	400,050
1,505,045	1,152,352	Sub-Total	1,032,399	1,189,818	1,230,807	1,273,154
1,630,367	1,166,498	Total	1,032,399	1,189,818	1,230,807	1,273,154
		Excess (Deficiency) of				
(53,851)	289,197	Revenues over Expenditures	597,925	602,742	453,618	12,332
(3,365,558)	(3,419,409)	Beginning Fund Balance	(3,130,212)	(2,532,287)	(1,929,545)	(1,475,927)
(3,419,409)	(3,130,212)	Ending Fund Balance	(2,532,287)	(1,929,545)	(1,475,927)	(1,463,595)

At this time the City has established seven TIF districts for the Hotel Baker, the Moline Foundry, the St. Charles Mall, the First Street Development, St. Charles Manufacturing, Lexington Club Development and Central Downtown. 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. The Lexington Club TIF will be a "pay as you go" District with payments made to the developer only to the extent that incremental revenues are received up to the maximum reimbursement specified. There are no payments to the Lexington Club TIF currently budgeted. The most recent TIF, the Central Downtown TIF, includes a portion of downtown that formerly was part of the First Street Development TIF. Infrastructure improvements for the Central Downtown TIF will be paid from prior First Street Development TIF bonds as well as other revenue sources of the City. It is currently anticipated that no new debt will be issued for this new TIF.

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. The State periodically provides grant funding for a portion of the costs of selected projects. 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.

<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>-----Projected-----</u>		
				FY 19/20	FY 20/21	FY 21/22
		<u>Revenues</u>				
870,414	871,140	Motor Fuel Tax	845,000	845,000	845,000	845,000
7,713	11,612	Investment Income	8,000	8,000	8,000	8,000
878,127	882,752	Total	853,000	853,000	853,000	853,000
		<u>Expenditures</u>				
		Public Works				
1,235,888	1,453,822	Capital	1,110,000	1,000,000	1,000,000	1,000,000
1,235,888	1,453,822	Total	1,110,000	1,000,000	1,000,000	1,000,000
		Excess (Deficiency) of				
(357,761)	(571,070)	Revenues over Expenditures	(257,000)	(147,000)	(147,000)	(147,000)
2,277,831	1,920,070	Beginning Fund Balance	1,349,000	1,092,000	945,000	798,000
0	0	Adjustment to Fund Balance	0	0	0	0
1,920,070	1,349,000	Ending Fund Balance	1,092,000	945,000	798,000	651,000

The amount of motor fuel tax distributed is based on a per capita amount determined by the state. The amount per capita for FY 18/19 is \$25.75 per the latest projections from the Illinois Municipal League. 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 through property taxes is determined by an annual independent actuarial study. Benefits are set by Illinois state statutes.

Actual FY 16/17	Estimate FY 17/18		Proposed FY 18/19	-----Projected-----		
				FY 19/20	FY 20/21	FY 21/22
		Revenues				
2,520,070	1,765,337	Investment Income	901,200	928,248	956,088	984,768
1,980,740	2,281,640	Contributions from City	2,676,082	2,809,886	2,950,380	3,097,900
626,881	523,409	Contributions from Members	534,996	551,052	567,576	584,604
5,127,691	4,570,386	Total	4,112,278	4,289,186	4,474,044	4,667,272
		Expenses				
		Public Health and Safety				
2,433,159	2,640,607	Personal Services	2,913,276	2,990,868	3,070,740	3,153,048
165,133	172,305	Other Operating	187,833	193,462	198,925	204,952
2,598,292	2,812,912	Total	3,101,109	3,184,330	3,269,665	3,358,000
2,529,399	1,757,474	Excess (Deficiency) of Revenues over Expenses	1,011,169	1,104,856	1,204,379	1,309,272
29,428,139	31,957,538	Beginning Fund Balance Reserved for Retirement Obligations	33,715,012	34,726,181	35,831,037	37,035,416
31,957,538	33,715,012	Ending Fund Balance Reserved for Retirement Obligations	34,726,181	35,831,037	37,035,416	38,344,688

The following table is an analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation. Employees contribute 9.91% of their base salary to the plan. The City finances the plan as 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 April 30,	(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)
2012	\$ 26,017,546	\$ 43,676,412	59.57%	\$ 17,658,866	\$ 4,287,075	411.91%
2013	27,960,859	47,088,115	59.38%	19,127,256	4,611,030	414.82%
2014	29,225,821	49,615,714	58.90%	20,389,893	4,625,146	440.85%
2015	30,575,172	57,111,059	53.54%	26,535,887	4,875,741	544.24%
2016	29,428,139	59,104,532	49.79%	29,676,393	5,115,650	580.11%
2017	31,957,538	64,045,847	49.90%	32,088,309	5,364,361	598.18%

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 and contributes is determined by an annual independent actuarial study. Benefits are set by Illinois state statutes.

<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>Projected</u>		
				FY 19/20	FY 20/21	FY 21/22
		Revenues				
2,843,673	1,470,314	Investment Income	940,212	967,212	997,464	1,027,392
1,318,803	1,749,113	Contributions from City	2,026,276	2,127,590	2,233,970	2,345,670
460,573	476,925	Contributions from Members	484,992	499,548	514,536	529,980
4,623,049	3,696,352	Total	3,451,480	3,594,350	3,745,970	3,903,042
		Expenses				
		Public Health and Safety				
1,554,138	1,715,341	Personal Services	1,859,436	1,905,744	1,953,420	2,002,548
175,520	181,052	Other Operating	190,576	196,497	202,336	208,039
1,729,658	1,896,393	Total	2,050,012	2,102,241	2,155,756	2,210,587
2,893,391	1,799,959	Excess (Deficiency) of Revenues over Expenses	1,401,468	1,492,109	1,590,214	1,692,455
32,963,129	35,856,520	Beginning Fund Balance Reserved for Retirement Obligations	37,656,479	39,057,947	40,550,056	42,140,270
35,856,520	37,656,479	Ending Fund Balance Reserved for Retirement Obligations	39,057,947	40,550,056	42,140,270	43,832,725

The following table is an analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension obligation. Employees contribute 9.455% of their base salary to the plan. The City finances the plan as 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	(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)
April 30, 2012	\$ 26,693,970	\$ 33,418,008	79.88%	\$ 6,724,038	\$ 4,182,533	160.76%
2013	29,326,481	39,465,546	74.31%	10,139,065	4,288,510	236.42%
2014	31,771,391	40,404,628	78.63%	8,633,237	4,391,347	196.60%
2015	33,657,878	44,751,003	75.21%	11,093,125	4,627,091	239.74%
2016	32,963,129	48,149,208	68.46%	15,186,079	4,545,823	334.07%
2017	35,856,520	52,655,120	68.10%	16,798,600	4,826,779	348.03%

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.

Capital Projects Fund - To account for various capital equipment purchases and capital projects for General Fund departments of the City, including Police, Fire, Information Services and Public Services.

Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
24,475	24,305	Property Taxes	25,000	25,500	26,000	26,500
89,950	159,079	Intergovernmental Revenue	240,000	210,000	210,000	120,000
16,190	9,579	Investment Income	10,000	10,000	10,000	10,000
1,200	0	Reimbursements for Improvements	0	0	0	0
0	119,227	Miscellaneous Revenue	0	0	0	0
4,436,502	2,109,886	Capital Financing Proceeds	4,742,473	3,663,225	9,152,002	6,061,980
1,443,425	2,779,306	Transfers In	1,807,500	1,000,000	1,000,000	1,000,000
6,011,742	5,201,382	Total	6,824,973	4,908,725	10,398,002	7,218,480
		Expenditures				
		General Government				
24,800	70,681	Other Operating	255,900	207,000	2,500	0
80,041	248,000	Capital	505,000	585,500	547,700	0
104,841	318,681	Sub-Total	760,900	792,500	550,200	0
		Public Health & Safety				
25,778	499,950	Capital	207,500	1,000,000	0	850,000
25,778	499,950	Sub-Total	207,500	1,000,000	0	850,000
		Public Works				
57,554	14,142	Other Operating	0	0	0	0
3,832,348	4,551,571	Capital	5,931,573	4,377,025	9,346,452	6,843,730
0	0	Debt Retirement	0	2,350	2,350	2,350
3,889,902	4,565,713	Sub-Total	5,931,573	4,379,375	9,348,802	6,846,080
		Community Development				
10,640	21,998	Other Operating	490,000	490,000	0	490,000
0	159,421	Capital	0	17,060	757,140	0
10,640	181,419	Sub-Total	490,000	507,060	757,140	490,000
0	0	Transfers Out - Debt Service	522,101	97,650	97,650	97,650
57,797	2,530,203	Transfers Out - Other	0	0	0	0
57,797	2,530,203	Sub-Total	522,101	97,650	97,650	97,650
4,088,958	8,095,966	Total	7,912,074	6,776,585	10,753,792	8,283,730
		Excess (Deficiency) of				
1,922,784	(2,894,584)	Revenue over Expenditures *	(1,087,101)	(1,867,860)	(355,790)	(1,065,250)
1,461,830	3,384,614	Beginning Fund Balance	490,030	(597,071)	(2,464,931)	(2,820,721)
3,384,614	490,030	Ending Fund Balance	(597,071)	(2,464,931)	(2,820,721)	(3,885,971)

*FY 18/19 deficiency funded by prior unspent bond proceeds and future property tax levies.



Capital Levy Fund - This fund accounts for projects partially financed by a 5 cent property tax levy.

Actual FY 16/17	Estimate FY 17/18		Proposed			
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
467,270	0	Intergovernmental Revenue	0	0	0	0
11,721	6,031	Investment Income	5,000	5,000	5,000	5,000
396,182	0	Miscellaneous Revenue	0	0	0	0
661,213	681,730	Transfers In - Property Tax	680,000	680,000	680,000	680,000
1,536,386	687,761	Total	685,000	685,000	685,000	685,000
		Expenditures				
		Public Works				
0	93,097	Other Operating	0	0	0	0
256,056	0	Capital	0	0	0	0
256,056	93,097	Sub-Total	0	0	0	0
597,938	604,056	Transfers Out - Debt Service	601,019	603,097	600,597	606,472
262,015	116,980	Transfers Out - Other	1,281,942	81,903	84,403	78,528
859,953	721,036	Sub-Total	1,882,961	685,000	685,000	685,000
1,116,009	814,133	Total	1,882,961	685,000	685,000	685,000
		Excess (Deficiency) of				
420,377	(126,372)	Revenue over Expenditures	(1,197,961)	0	0	0
905,044	1,325,421	Beginning Fund Balance	1,199,049	1,088	1,088	1,088
1,325,421	1,199,049	Ending Fund Balance	1,088	1,088	1,088	1,088

Police Building Capital Project - Construction of new police facility.

Actual FY 16/17	Estimate FY 17/18		Proposed			
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
0	0	Reimbursement for Improvements	0	0	0	0
0	0	State & Federal Shared Revenue	0	0	0	0
0	22,818	Investment Income	20,000	5,000	0	0
0	0	Miscellaneous Revenue	0	0	0	0
0	17,000,000	Financing Proceeds	3,285,948	0	0	0
0	2,530,203	Transfers In	0	0	0	0
0	19,553,021	Total	3,305,948	5,000	0	0
		Expenditures				
		Public Health & Safety				
0	0	Other Operating	0	0	0	0
0	2,763,969	Capital	20,000,000	100,000	0	0
0	2,763,969	Sub-Total	20,000,000	100,000	0	0
0	0	Transfers Out - Other	0	0	0	0
0	2,763,969	Total	20,000,000	100,000	0	0
		Excess (Deficiency) of				
0	16,789,052	Revenue over Expenditures	(16,694,052)	(95,000)	0	0
0	0	Beginning Fund Balance	16,789,052	95,000	0	0
0	16,789,052	Ending Fund Balance	95,000	0	0	0

Central Downtown (TIF 7) Capital Project - The City's most recent TIF was created as part of its continuing efforts to promote the revitalization of key under-utilized properties within the downtown area. This TIF district includes an area formerly included in the First Street TIF boundaries. It also includes areas to the east of the Fox River as well as properties north of Main St. This fund accounts for the City funded improvements to this area, including a new parking deck (as provided for in the Redevelopment Agreement), as well as streetscape and riverwalk improvements.

<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>Projected</u>		
				FY 19/20	FY 20/21	FY 21/22
		Revenues				
8,455	8,395	Investment Income	0	0	0	0
262,015	116,980	Transfers In	1,281,942	81,903	84,403	78,528
270,470	125,375	Total	1,281,942	81,903	84,403	78,528
		Expenditures				
		Community Development				
121,805	5,587	Other Operating	80,000	0	0	0
1,725,902	543,944	Capital	1,852,664	541,450	0	0
1,847,707	549,531	Sub-Total	1,932,664	541,450	0	0
1,847,707	549,531	Total	1,932,664	541,450	0	0
		Excess (Deficiency) of				
(1,577,237)	(424,156)	Revenue over Expenditures	(650,722)	(459,547)	84,403	78,528
1,700,939	1,091,215	Beginning Fund Balance	667,059	16,337	(443,210)	(358,807)
967,513	0	Advance from General Fund	0	0	0	0
1,091,215	667,059	Ending Fund Balance	16,337	(443,210)	(358,807)	(280,279)

Equipment Replacement Fund - This fund is used to account for the maintenance and replacement of IT equipment and copiers in the general fund.

<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>Projected</u>		
				FY 19/20	FY 20/21	FY 21/22
		Revenues				
2,342	4,723	Investment Income	3,000	3,000	3,000	3,000
0	294,971	Charges to Other Funds	283,719	300,919	300,190	300,192
289,895	0	Transfers In	0	0	0	0
292,237	299,694	Total	286,719	303,919	303,190	303,192
		Expenses				
		General Government				
169,172	113,965	Capital	100,000	100,000	100,000	100,000
169,172	113,965	Sub-Total	100,000	100,000	100,000	100,000
0	0	Transfers Out - Other	425,714	0	0	0
169,172	113,965	Total	525,714	100,000	100,000	100,000
		Excess (Deficiency) of				
123,065	185,729	Revenues over Expenses	(238,995)	203,919	203,190	203,192
736,194	859,259	Beginning Net Assets	1,044,988	805,993	1,009,912	1,213,102
859,259	1,044,988	Ending Net Assets	805,993	1,009,912	1,213,102	1,416,294

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.

Actual FY 16/17	Estimate FY 17/18		Proposed	-----Projected-----		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
910,854	1,002,093	Sales & Use Taxes	975,000	985,000	995,000	1,005,000
1,372	8,769	Investment Income	2,000	2,000	2,000	2,000
16,903,573	0	Financing Proceeds/Refunded Debt	0	0	0	0
6,220,908	6,170,455	Transfers In	7,183,660	7,137,709	7,860,747	8,568,722
24,036,707	7,181,317	Total	8,160,660	8,124,709	8,857,747	9,575,722
		Expenditures				
		General Government				
118,378	4,273	Other Operating	4,287	4,372	4,459	4,548
24,165,646	7,130,361	Debt Retirement/Refunding	8,142,110	8,099,109	8,821,747	9,528,122
24,284,024	7,134,634	Total	8,146,397	8,103,481	8,826,206	9,532,670
		Excess (Deficiency) of				
(247,317)	46,683	Revenues over Expenditure	14,263	21,228	31,541	43,052
		Beginning Fund Balance				
2,057,815	1,810,498	Reserved for Debt Service	1,857,181	1,871,444	1,892,672	1,924,213
		Ending Fund Balance				
1,810,498	1,857,181	Reserved for Debt Service	1,871,444	1,892,672	1,924,213	1,967,265

Internal Service Funds (ISF) - The City has five 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 16/17	Estimate FY 17/18		Proposed	-----Projected-----		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
2,395,318	2,679,784	Items for Resale	3,000,000	3,000,000	3,000,000	3,000,000
(509)	(1,537)	Investment Income	0	0	0	0
31,313	24,419	Miscellaneous Revenue	23,145	23,582	24,758	25,215
882,876	975,897	Charges to Other Funds	921,492	980,324	976,104	1,097,784
3,308,998	3,678,563	Total	3,944,637	4,003,906	4,000,862	4,122,999
		Expenses				
		General Government				
447,295	442,977	Personal Services	530,159	554,223	579,786	607,252
2,538,132	2,826,132	Other Operating	3,140,915	3,138,314	3,140,513	3,201,526
300,120	310,092	Allocations from Other Funds	234,120	238,788	243,588	248,448
1,195	1,186	Capital	1,500	41,000	0	50,000
3,286,742	3,580,387	Sub-Total	3,906,694	3,972,325	3,963,887	4,107,226
0	0	Transfers Out - Other	14,755	0	0	0
3,286,742	3,580,387	Total	3,921,449	3,972,325	3,963,887	4,107,226
		Excess (Deficiency) of				
22,256	98,176	Revenues over Expenses	23,188	31,581	36,975	15,773
		Beginning Net Assets				
3,603,857	3,618,712	Net Fixed Assets Adjustments	3,716,888	3,740,076	3,771,657	3,808,632
(7,401)	0	Ending Net Assets	0	0	0	0
3,618,712	3,716,888		3,740,076	3,771,657	3,808,632	3,824,405

ISF - Vehicles - This fund is used to account for the maintenance and replacement of motor vehicles in the general fund. The General Fund contributes funding annually for the use and depreciation of the vehicles needed 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.

Actual FY 16/17	Estimate FY 17/18		Proposed	-----Projected-----		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
1,235,695	1,187,742	Vehicle Replacement	1,177,876	1,322,940	1,349,112	1,377,023
13,339	35,082	Investment Income	25,000	27,350	27,350	27,350
1,269,519	1,129,063	Charges to Other Funds	1,625,879	1,663,742	1,710,127	1,759,854
254,563	8,031	Sale of Fixed Assets	5,500	0	0	0
156,437	27,811	Miscellaneous	27,811	30,066	30,827	29,247
0	0	Transfers In	60,000	97,650	97,650	97,650
2,929,553	2,387,729	Total	2,922,066	3,141,748	3,215,066	3,291,124
		Expenses				
		General Government				
0	0	Capital	0	0	0	0
0	0	Sub-Total	0	0	0	0
		Public Health and Safety				
803,078	788,268	Capital	1,048,888	188,000	186,000	119,109
803,078	788,268	Sub-Total	1,048,888	188,000	186,000	119,109
		Public Works				
613,598	566,945	Personal Services	670,674	698,054	728,583	759,910
570,170	655,193	Other Operating	668,346	675,955	685,385	699,667
278,975	286,021	Allocations from Other Funds	271,956	277,380	282,960	288,600
679,812	255,775	Capital	579,000	1,442,000	243,000	738,000
2,142,555	1,763,934	Sub-Total	2,189,976	3,093,389	1,939,928	2,486,177
		Community Development				
0	0	Capital	0	0	0	34,000
0	0	Sub-Total	0	0	0	34,000
0	720,328	Transfers Out - Other	18,467	0	0	0
2,945,633	3,272,530	Total	3,257,331	3,281,389	2,125,928	2,639,286
		Excess (Deficiency) of				
(16,080)	(884,801)	Revenues over Expenses	(335,265)	(139,641)	1,089,138	651,838
8,287,239	9,063,312	Beginning Net Assets	8,178,511	7,843,246	7,703,605	8,792,743
792,153	0	Net Fixed Assets Adjustments	0	0	0	0
9,063,312	8,178,511	Ending Net Assets	7,843,246	7,703,605	8,792,743	9,444,581

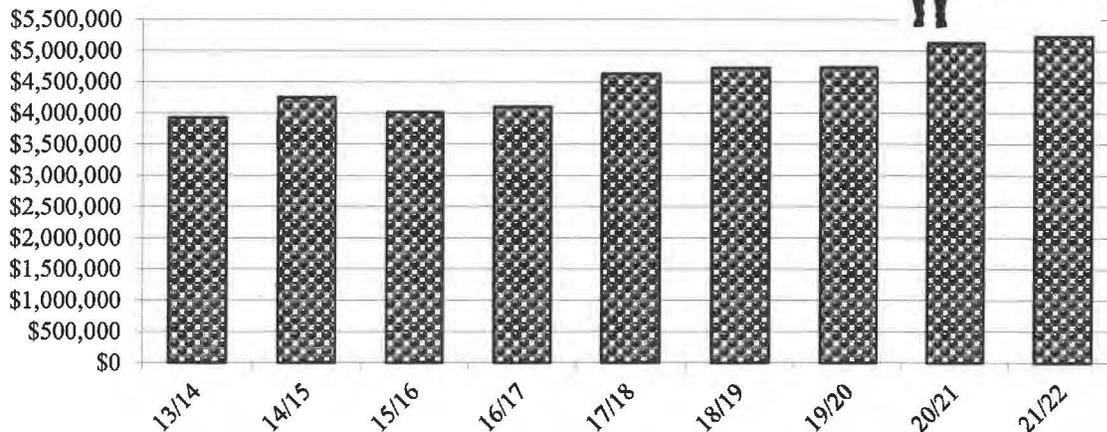


ISF - Health Insurance - The City is self-insured and this fund accounts for the activity of the City's health insurance costs for all funds. Individual funds and departments are charged based on their employee counts.

Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
		Revenues				
15,260	30,129	Investment Income	22,000	22,500	23,000	23,500
4,256,821	4,262,021	Insurance Premiums	4,324,000	4,429,113	4,586,384	4,752,069
0	0	Miscellaneous	0	0	0	0
0	0	Transfers In	0	0	0	0
4,272,081	4,292,150	Total	4,346,000	4,451,613	4,609,384	4,775,569
		Expenses				
		General Government				
3,988,203	4,342,248	Other Operating	4,645,000	4,655,500	5,043,574	5,145,304
109,728	112,476	Allocations from Other Funds	78,276	79,848	81,444	83,076
4,097,931	4,454,724	Total	4,723,276	4,735,348	5,125,018	5,228,380
174,150	(162,574)	Excess(Deficiency)of Revenues over Expenses	(377,276)	(283,735)	(515,634)	(452,811)
3,254,577	3,428,727	Beginning Net Assets	3,266,153	2,888,877	2,605,142	2,089,508
3,428,727	3,266,153	Ending Net Assets	2,888,877	2,605,142	2,089,508	1,636,697

The chart below shows the City's past, present and projected insurance costs. (The projected costs take into account "worst case" claim cost assumptions.) These costs represent the City's expenditures for the medical and dental insurance claims and administrative costs. The City has taken many cost saving measures over the years. In 2016, the new Target Wellness program replaced the Healthy program with new health factors, new targets, new values and more possible credits off employee's health insurance premiums. Tobacco and non-tobacco rates will continue, as well as a surcharge for spouses that have access to other medical plans. We also now have four coverage tiers (Employee, EE + Spouse, EE + Children and Family) and an 80/20 co-insurance. Besides the \$1,500 deductible single coverage plan with no premium cost to employees, the City offers two other PPO buy-up plans with \$500 and \$750 deductibles. The City also will be offering a new high deductible health plan (HDHP) that can be paired with a new health savings account and a dependent care flexible spending account. The City also has a free patient care benefit to help navigate the health care system. DirectPath Advocates can answer benefit questions, research physicians/facilities, resolve claims and billing issues, assist with referrals and prior authorizations, and compare costs/quality between providers. A DirectPath Advocate can also comparison shop for health care services and if the lower cost provider is chosen there is a cash incentive to the employee/dependent.

History and Projection of Health Insurance Funding

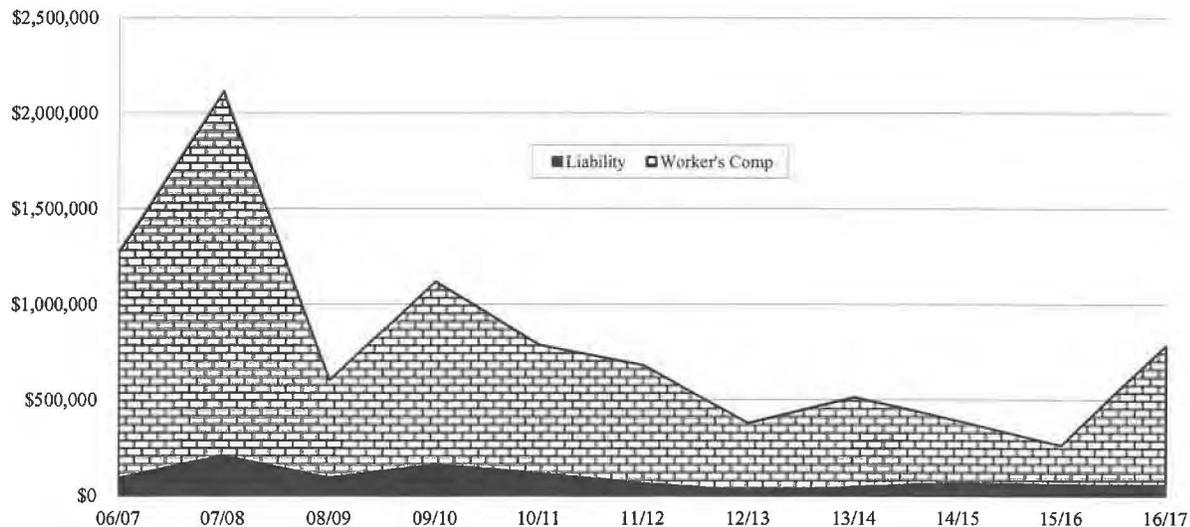


ISF - Workers Compensation/Liability - This fund accounts for the self-insurance activity related to workers compensation insurance and liability insurance for property, casualty and crime for governmental service funds. All enterprise activity is accounted for in the appropriate proprietary fund.

Actual FY 16/17	Estimate FY 17/18		Proposed	Projected		
			FY 18/19	FY 19/20	FY 20/21	FY 21/22
Revenues						
18,695	39,213	Investment Income	25,000	25,000	25,000	25,000
1,000,000	1,000,000	Insurance Premiums	1,000,000	1,019,989	1,040,388	1,061,194
51,625	28,404	Miscellaneous	0	0	0	0
60,000	0	Transfers In	0	0	0	0
1,130,320	1,067,617	Total	1,025,000	1,044,989	1,065,388	1,086,194
Expenses						
General Government						
432,100	421,684	Other Operating	457,700	481,800	509,276	519,461
10,896	11,172	Allocations from Other Funds	25,392	25,908	26,424	26,952
442,996	432,856	Sub-Total	483,092	507,708	535,700	546,413
Public Health and Safety						
259,246	382,193	Other Operating	330,000	330,000	336,600	343,332
259,246	382,193	Sub-Total	330,000	330,000	336,600	343,332
Public Works						
399,863	145,390	Other Operating	170,000	170,000	173,400	176,868
399,863	145,390	Sub-Total	170,000	170,000	173,400	176,868
Community Development						
707	0	Other Operating	5,000	5,000	5,100	5,202
707	0	Sub-Total	5,000	5,000	5,100	5,202
0	0	Transfers Out - Other	195,000	0	0	0
1,102,812	960,439	Total	1,183,092	1,012,708	1,050,800	1,071,815
Excess(Deficiency)of						
27,508	107,178	Revenues over Expenses	(158,092)	32,281	14,588	14,379
3,212,006	3,239,514	Beginning Net Assets	3,346,692	3,188,600	3,220,881	3,235,469
3,239,514	3,346,692	Ending Net Assets	3,188,600	3,220,881	3,235,469	3,249,848

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. Due to concerted loss control efforts the City has seen a significant decline in worker's compensation and liability claims paid.

History of Workers Compensation and Liability Insurance



ISF - Communications - The Communications Utility operates the City's fiber system and other communications equipment to provide services to all City departments. These services are reimbursed by means of an internal service fund chargeback to City departments. 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 keyscan door/gate opening systems, communication connectivity for SCADA equipment, security camera installations, public works radio system, and cable TV installations.

<u>Actual</u> FY 16/17	<u>Estimate</u> FY 17/18		<u>Proposed</u> FY 18/19	<u>-----Projected-----</u>		
				FY 19/20	FY 20/21	FY 21/22
		<u>Revenues</u>				
440,474	476,474	User Charges	433,397	400,397	495,397	303,397
822	1,513	Investment Income	1,500	1,500	1,500	1,500
12,037	11,510	Miscellaneous Revenue	12,349	12,504	12,662	12,824
453,333	489,497	Total	447,246	414,401	509,559	317,721
		<u>Expenses</u>				
		Public Utilities				
132,035	129,940	Personal Services	105,467	97,723	102,191	118,565
80,972	57,524	Other Operating	99,446	107,170	103,148	111,964
12,348	12,660	Allocations from Other Funds	42,024	42,852	43,716	44,592
126,356	173,476	Capital	234,000	324,500	202,000	10,000
351,711	373,600	Sub-Total	480,937	572,245	451,055	285,121
61,664	61,664	Transfers Out - Other	61,664	61,664	61,664	61,664
413,375	435,264	Total	542,601	633,909	512,719	346,785
		Excess(Deficiency)of				
39,958	54,233	Revenues over Expenses	(95,355)	(219,508)	(3,160)	(29,064)
538,041	639,663	Beginning Net Assets	693,896	598,541	379,033	375,873
61,664	0	Net Fixed Asset/Debt Adjustments	0	0	0	0
639,663	693,896	Ending Net Assets	598,541	379,033	375,873	346,809

Capital Improvements Plan

Capital Improvements - Major Project Requests VI - 3

Capital Improvements Detail VI - 14

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Project Request
FY 18-19

Project Name *Police Facility Project*

Estimated Total Cost of Project

\$20,000,000

Project Description

1. Location

Police Facility - Valley Shopping Center Site - 1515 W. Main Street

2. Work to be Performed

Professional Architectural Services including Design and Construction Documents. Professional Construction Management Services including Bidding & Negotiations, Demolition and Construction related to a new Police Facility on the Valley Shopping Center Site.

3. Reason for Work

Over the past several years, City staff has realized a sharp increase in maintenance activities for the Police Facility attributed to several interior & exterior deficiencies. In addition, Police management staff have identified several operational deficiencies attributed to the layout and space constraints of their facility. Recognizing such, the City Council authorized a comprehensive study of the entire Police facility and operations, which was completed in FY15/16. The study included an Exterior & Interior Conditions Report, Air Quality/Environmental Review, Historical Preservation Study, Site Survey, Space Needs Assessment, Site & Building Appraisal, Master Plan/Concept Studies and Cost Estimates.

Based on the results of the comprehensive study, City Council directed staff to proceed with the design of a new Police Facility to be located on an alternative site from its current location. In FY17/18, City staff hired FGM Architects to find an alternative site for the new facility, develop design concepts and prepare construction documents & specifications for anticipated bid and construction in FY18/19. The project team was successful in finding an alternative site at the Valley Shopping Center and has hired a Construction Management Company, Riley Construction, to construct the new building starting in FY18/19 with completion in the Fall of 2019.

4. Impact on Budget

The Police Station will provide service to the City for many decades (anticipated 50 year solution). The Project will be financed with a combination of bond proceeds and previously accumulated reserve funds.

Project Request
FY 18-19

Project Name *Active River Development Project*

Estimated Total Cost of Project

\$280,000 (Advanced Concept Development Only)
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Project Description

1. Location

Fox River Between Main Street Bridge and UPRR Railroad Trestle

2. Work to be Performed

Professional Engineering Services for Advanced Concept Development of the Active River Project.

3. Reason for Work

In 2015 the City of St. Charles updated the River Corridor Master Plan intending to provide guidance for public and private investment/ projects along the Fox River in St. Charles. The plan provides a strategic framework to enhance the Fox River as a resource for the community from an environmental, recreational and economic development perspective. That plan recognizes the importance of connectivity on land and on the river.

The City has engaged WBK Engineering to investigate alternatives to accomplish the objectives in the 2015 Master Plan with a focus on dam modification/ removal in the reach between Main Street and the UPRR trestle which is about 1100 feet long. Alternative Master Plan Concepts were designed and presented to stake holders in FY 17/18.

Advanced Concept Development of the Master Plan Alternatives will be the focus in FY 18/19 including the following tasks:

Verify project function & goals, geotechnical evaluation, operational & regulatory (flooding) hydraulic analysis, channel plan & profile, regulatory coordination, cost update, structural evaluation, aesthetics, landscaping, constructability, sediment sampling & testing, biologic survey & review, dam safety review, design memorandum and regulatory pre-application meeting.

4. Impact on Budget

The Active River Project will be bonded.

Total project costs will not be available until final plans are completed. The funds to complete the project are estimated to include a total of \$7,200,000 in grants. The fiscal year 2018-2019 budget contemplates \$400,000 of Advanced Concept Development costs. It is anticipated that the City's share of these costs will be \$280,000 or 70% of the cost.

Project Request
FY 18-19

Project Name *Dunham Road Sanitary Sewer Force Main Replacement*

Estimated Total Cost of Project

\$990,000

Project Description

1. Location

Dunham Road approximately between Muirfield Ct. and Dunham Pl. near St Charles East High School

2. Work to be Performed

Replace 2,800 feet of sanitary sewer force main

3. Reason for Work

The Dunham Road Sanitary Sewer Force Main is budgeted for replacement. This line has experienced 3 pipe line breaks over the last three years. All of the breaks were due to pipe corrosion. The force main starts at Royal Fox Lift Station #2 near Muirfield Ct, and runs south until it crosses Dunham Road to the East and transitions to a gravity line in front of St Charles East High School. The engineering firm Crawford, Murphy and Tilly (CMT) completed an evaluation of the force main in August 2016. The conclusion of the study listed several options for maintenance and replacement of the force main. Due to the cost and the expected life of each option it was determined full line replacement was the best value for the City. The project will abandon approximately 2,800 feet of 8" force main, currently located within the Dunham Road right-of-way, adjacent to a 12" gas main, and residential area. Due to the sensitivities of these areas, safety and low disturbance construction methods will be explored.

4. Impact on Budget

Project construction cost is \$990,000 and includes \$90,000 construction engineering costs.

Project Request

FY 18-19

Project Name ***Wastewater Phosphorus Removal and Anaerobic
Digester Improvements***

Estimated Total Cost of Project

\$13,322,000

Project Description

1. Location

Main Wastewater Treatment Plant

2. Work to be Performed

Optimized biologic treatment process and complimentary improvements to structures to achieve Phosphorus removal and rehabilitation of the existing egg shaped anaerobic digesters.

3. Reason for Work

The City of St. Charles' Main Wastewater Treatment Facility is required by the Illinois Environmental Protection Agency to complete the removal of phosphorus from effluent discharge to meet NPDES permit limits by June of 2018. The proposed improvements include reconfiguration of the existing biological treatment process to implement an A2/O configuration. The work includes site piping, construction of a primary sludge fermenter, retrofitting of the existing aeration basins with mechanical mixers, construction of an internal recycle pump station and a chemical feed and storage system for process optimization. The improvements to the aging anaerobic digestion complex include refurbishing the existing egg-shaped digester structures and replacement of all piping, pumps, boilers, and gas safety equipment. In addition, the existing digested sludge storage tank will be replaced with a new structure that will have gas-storage capabilities.

4. Impact on Budget

Project construction cost is \$13,322,000 and includes construction and construction engineering costs. This project will be funded with an IEPA Low Interest Loan and will span two fiscal years.

Project Request
FY 18-19

Project Name

Campton Hills Water Tower Painting

Estimated Total Cost of Project

\$900,000

Project Description

1. Location

Campton Hill Water Tower

2. Work to be Performed

Exterior repaint with containment, Wet interior repaint, Dry interior partial repaint and miscellaneous repairs

3. Reason for Work

The Water Division will be completing the painting of Campton Hills Water Tower. The project will include a full paint removal on the exterior and internal wet surface areas. As part of the paint removal and repainting process the contractor will be required to cover the tower with a curtain. The curtain is to eliminate any drifting materials during the paint removal and repainting process. In addition to the painting of the tower, the project will require some additional repairs or installations. Some of those requirements include roof vents, aviation lights and other installations to meet current OSHA safety standards. The timeline will be open bids in April of 2018 and completed painting by September 2018.

4. Impact on Budget

Project construction cost is \$850,000 including \$50,000 construction engineering costs.

Project Request
FY 18-19

Project Name *Roadway Projects*

Estimated Total Cost of Project

\$2,583,000 (Engineers Estimate)

Project Description

1. Location

- Adams Avenue (S. 9th Ave to East End)
- Adams Court (Adams Ave to End of cul-de-sac)
- Campton Hills Road (Happy Hills Rd to Peck Rd)
- Doverhill Court (Doverhill Rd to End of cul-de-sac)
- Fox Chase Drive (Kirk Rd to Foxfield Dr)
- Jackson Avenue (South Ave to Washington Ave)
- Mildred Avenue (Ronzheimer Ave to Rita Ave)
- N. 12th Avenue (E. Main St to Wing Ave)
- Ohio Avenue (Kirk Rd to Kautz Rd)
- Persimmon Drive (Cul-de-sac only, 1315-1345 Persimmon Dr)
- Rita Avenue (Mildred Ave to S. Tyler Rd)
- Ronzheimer Avenue (S. Tyler Rd. to Weber Rd)
- Ruth and Jewel Avenues (S. 7th Ave to S. 7th Ave)
- Spring Avenue (S. 6th Ave to Monroe Ave)

2. Work to be Performed

The project will include removal of the top layer of pavement surface and replacement with a new smooth driving surface, repairs to sidewalks and curbs, utility repairs, pavement marking and landscape restoration for all locations, except Ohio Avenue, which will receive a full depth reclamation instead of a surface replacement. A total of 3.68 miles of roadway are proposed to be improved.

3. Reason for Work

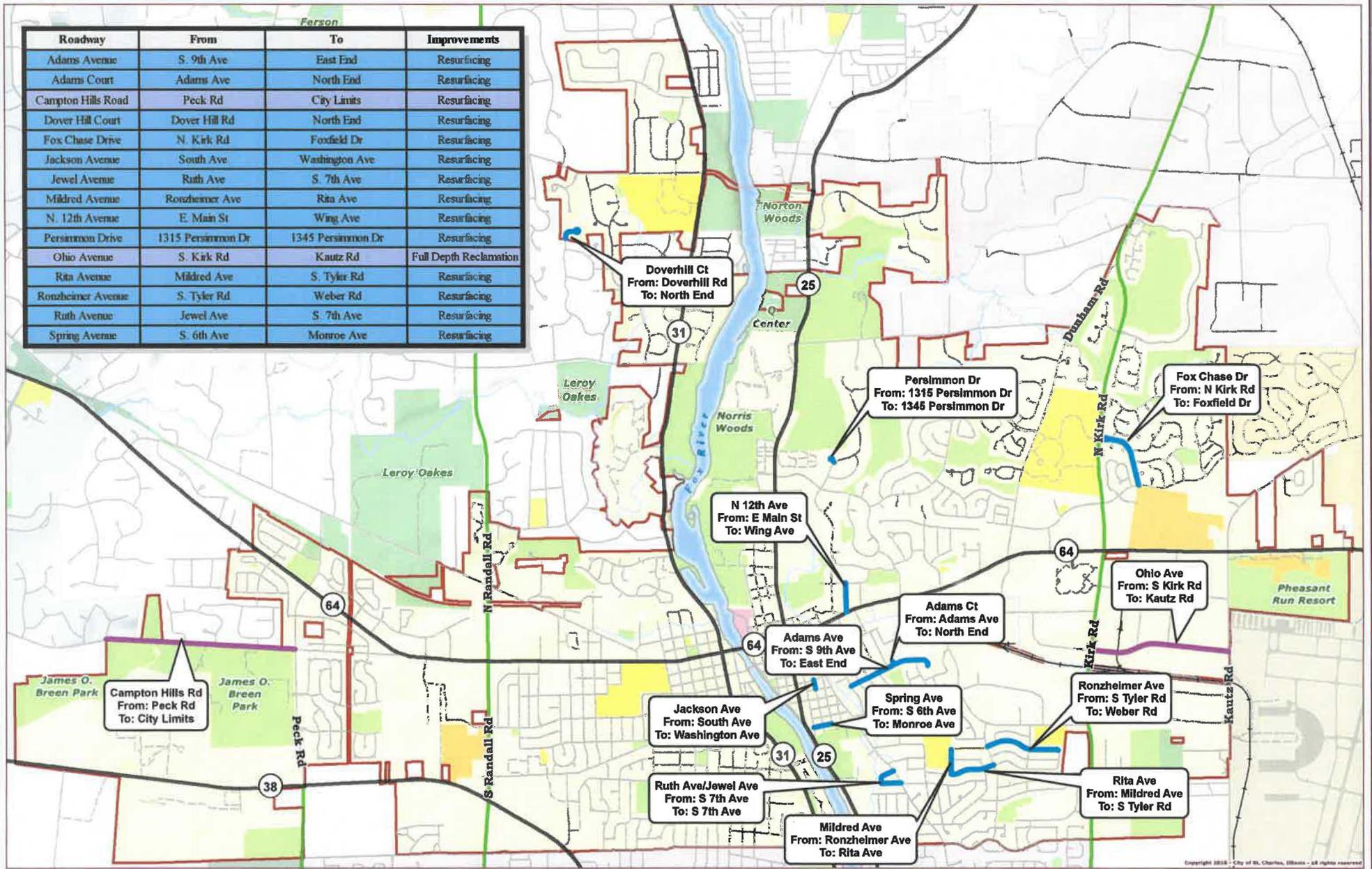
As part of the City's commitment to maintaining public roadway infrastructure, the City completes annual roadway resurfacing to provide a smooth driving surface and to extend the life of the pavement.

4. Impact on Budget

Motor Fuel Tax funds in the amount of \$1,110,000 will be used for this project, with the remaining project costs being paid for out of the appropriate utility funds and general funds.



Roadway	From	To	Improvements
Adams Avenue	S. 9th Ave	East End	Resurfacing
Adams Court	Adams Ave	North End	Resurfacing
Campton Hills Road	Peck Rd	City Limits	Resurfacing
Dover Hill Court	Dover Hill Rd	North End	Resurfacing
Fox Chase Drive	N. Kirk Rd	Foxfield Dr	Resurfacing
Jackson Avenue	South Ave	Washington Ave	Resurfacing
Jewel Avenue	Ruth Ave	S. 7th Ave	Resurfacing
Mildred Avenue	Ronzheimer Ave	Rita Ave	Resurfacing
N. 12th Avenue	E. Main St	Wing Ave	Resurfacing
Persimmon Drive	1315 Persimmon Dr	1345 Persimmon Dr	Resurfacing
Ohio Avenue	S. Kirk Rd	Kautz Rd	Full Depth Reclamation
Rita Avenue	Mildred Ave	S. Tyler Rd	Resurfacing
Ronzheimer Avenue	S. Tyler Rd	Weber Rd	Resurfacing
Ruth Avenue	Jewel Ave	S. 7th Ave	Resurfacing
Spring Avenue	S. 6th Ave	Monroe Ave	Resurfacing



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— MFT VI-10 — Capital Improvements

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Project Request
FY 18-19

Project Name *Continuation of 1st Street Phase 3
City Improvements*

Estimated Total Cost of Project

\$1,782,664

Project Description

1. Location

First Street Phase 3, NE corner of Illinois & First Streets; Streetscape, Plaza and Riverwalk

2. Work to be Performed

Professional Services for Preliminary and Final Engineering Design and Construction for remaining Streetscape, Plaza and Riverwalk Improvement in First Street Phase III

3. Reason for Work

The First Street project is a multi-phase, mixed-use redevelopment project in downtown. Phase III of the project began construction in 2015. Completion of the buildings in this Phase of the project is expected in Spring 2019.

Pursuant to a Redevelopment Agreement with developer the First Street Development II, LLC, the City will design and fund the installation of public pedestrian improvements around the buildings, including sidewalk and streetscapes along First and Illinois Streets, a bi-level riverwalk along the Fox River frontage, and a public plaza connecting the riverwalk to the existing plaza west of First Street.

The remaining improvements include First Street streetscaping along the frontage of Buildings #2 (\$224,000), improvement of the bi-level riverwalk north of Building #3 (\$731,850) , and the east plaza (\$826,814). These improvements are to be designed and engineered in FY 17/18, with construction expected to commence near the end of the FY.

4. Impact on Budget

Revenue from the Capital Improvement Levy Fund will be utilized to help fund this project.

Project Request
FY 18-19

Project Name *LED Streetlight Program*

Estimated Total Cost of Project

\$680,000

Project Description

1. Location

Citywide

2. Work to be Performed

Retrofit approximately 2,200 streetlights to LED

3. Reason for Work

LED streetlights use approximately 1/3rd the energy as the equivalent high pressure sodium bulb, while producing the same amount of light. In this multi-year project, with the available funding, the City will retrofit as many lights as possible, starting with the highest wattage lights. The "highway lights" offer the fastest return on investment and have the highest impact on safety. After the high wattage "highway" lights, in future years, we will evaluate converting some of the lower wattage decorative fixtures as funds permit. The decorative fixtures, many of which are obsolete, can be challenging and expensive with respect to retrofitting or replacement strategies. LED lights are typically warranted for 10 years, so the City will save money on future maintenance in addition to energy costs.

4. Impact on Budget

Multi-year program that will focus on the highway lights that have the most impact.

Project Request
FY 18-19

Project Name *Enterprise Software Applications*

Estimated Total Cost of Project

\$4,140,000

Project Description

1. Location

Not applicable.

2. Work to be Performed

Implement enterprise software applications, such as utility billing/customer information system, work orders, asset management and community development/permitting. Optionally upgrade or replace the current financial, human resource, and purchasing/inventory system.

Project will include comprehensive software requirements development and a software selection process that incorporates cost/benefit analysis and total cost of ownership considerations.

3. Reason for Work

The City's current enterprise software applications do not meet all of the business requirements of the City or are planned to be upgraded in the near future. Since enterprise applications provide a high degree of cross-departmental functionality and have extensive interoperability requirements, there is an opportunity to implement integrated applications that provide both required functionality and reduced maintenance needs. As a result, the City is taking the opportunity to purchase and implement enterprise software applications that meet both the current and long term business needs of City staff, residents and customers.

4. Impact on Budget

The Enterprise Software Application implementation will be funded by bond proceeds and enterprise fund revenue.

FY 18/19 Capital Budget

Accounting Unit/Account/Capital Item	FY 18/19	FY 19/20	FY 20/21	FY 21/22
General Fund				
100111-Community & Public Affairs	700	0	0	0
56003-0-Office Furnishings and Equip	400	0	0	0
CA1005 : Camera	400	0	0	0
56004-0-Computer Equipment	300	0	0	0
CA1001 : Memory Upgrade for Graphics- Lisa & Intern	300	0	0	0
100200-Information Systems	19,700	21,700	21,700	21,700
56004-0-Computer Equipment	19,700	21,700	21,700	21,700
IS1002 : GIS Hardware	0	2,000	2,000	2,000
IS1003 : UPS Replacements	3,000	3,000	3,000	3,000
IS1005 : Disaster Recovery Hdw For Ntwk	4,500	4,500	4,500	4,500
IS1008 : Memory/Processor Upgrades	2,000	2,000	2,000	2,000
IS1009 : Network Cards and Drives	2,000	2,000	2,000	2,000
IS1012 : Switch Replacements	2,500	2,500	2,500	2,500
IS1015 : Audio Visual Equipment	4,500	4,500	4,500	4,500
IS1017 : Tablet PCs for Pilots	1,200	1,200	1,200	1,200
100210-Human Resources	1,300	0	0	0
56004-0-Computer Equipment	1,300	0	0	0
HR1000 : Surface Pro - Asst. Dir.	1,300	0	0	0
100220-Accounting	0	0	1,500	0
56003-0-Office Furnishings and Equip	0	0	1,500	0
FN1001 : Repl Office Furnishings	0	0	1,500	0
100300-Police	4,000	0	0	0
56004-0-Computer Equipment	4,000	0	0	0
PD3000 : New Computers	4,000	0	0	0
100400-Fire Admin	3,500	1,000	500	500
56002-0-Machinery and Equipment	3,500	1,000	500	500
FD4003 : Props for School Fire Prevention Week Programs	3,500	1,000	500	500
100401-Fire Operations	68,500	85,000	81,500	84,000
56002-0-Machinery and Equipment	25,000	46,000	51,500	43,000
FD4101 : Replace of Fire Hose/Fittings	12,000	12,000	14,000	14,000
FD4102 : Replace of Hurst Rescue Equip	0	18,000	9,500	9,500
FD4104 : Rescue and Safety Equipment	8,000	8,000	8,000	8,000
FD4105 : SCBA Replacements	0	4,000	0	4,000
FD4107 : Replacement of nozzles and ada	5,000	4,000	7,500	7,500
FD4115 : Extractor Washer	0	0	12,500	0
56003-0-Office Furnishings and Equip	6,000	9,000	6,000	9,000
FD4100 : Station Furniture Bedding and Appliances	6,000	9,000	6,000	9,000
56099-0-Other Capital	37,500	30,000	24,000	32,000
FD4103 : Radio Equipment Replacement	10,000	21,000	14,000	18,000
FD4109 : Technical rescue supplies and	9,500	5,000	6,000	6,000
FD4110 : Monitoring equipment	4,000	4,000	4,000	4,000
FD4111 : Pager replacements	4,000	0	0	4,000
FD4117 : Ballistic Vests - Fire	10,000	0	0	0
100402-Fire EMA	0	10,000	0	0
56099-0-Other Capital	0	10,000	0	0
FD4804 : Radio Repeaters	0	10,000	0	0
100510-Public Services	950	0	0	0
56004-0-Computer Equipment	950	0	0	0
PS5000 : IPAD	950	0	0	0
100603-Bldg & Code Enforcement	2,200	0	0	0
56004-0-Computer Equipment	2,200	0	0	0
CD6031 : Hand Held Tablets	2,200	0	0	0
Total General Fund	100,850	117,700	105,200	106,200
Electric Fund				
200520-Electric Administration	36,000	216,250	669,400	0
56301-0-Capitalized Software	36,000	216,250	669,400	0
INT0001:EL1003: UB Software Replacement	0	0	268,000	0
INT0002:11002 : Work Order Project	0	216,250	0	0
INT0003:CP2202:ERP Vendor Selection & Negotiations	36,000	0	0	0
INT0003:CP2202:ERP Replacement-Financials/HR/PR	0	0	401,400	0

FY 18/19 Capital Budget

Accounting Unit/Account/Capital Item	FY 18/19	FY 19/20	FY 20/21	FY 21/22
200521-Electric Operations	3,395,000	4,230,000	5,884,700	6,456,000
56001-0-Motor Vehicles - Replacements	0	106,000	97,000	1,011,000
EL2007 : Repl 2007 Digger Derrick	0	0	0	190,000
EL2008 : Repl 1902 2009 IHC 7400 SFA	0	0	0	281,000
EL2012 : Repl 2158 2003 Sullair 185-H	0	0	31,000	0
EL2013 : Repl 2184 2006 Altec DB35	0	0	0	118,000
EL2021 : Repl 2006 Kobelco Mini Excavator	0	0	43,000	0
EL2024 : Repl 1785 2011 Ford F550 Dump	0	71,000	0	0
EL2027 : Repl 1933 2010 IHC Digger Derrice	0	0	0	220,000
EL2028 : Repl 1935 2010 IHC Aerial Truck	0	0	0	202,000
EL2030 : Repl 1771 2010 Ford F150	0	0	23,000	0
EL2031 : Repl 1882 2009 Ford F150	0	35,000	0	0
56002-0-Machinery and Equipment	50,000	50,000	0	0
ELE0002:EL2016 : Elect Line Trailer Replace	50,000	50,000	0	0
56101-0-Land Improvements	30,000	15,000	15,000	15,000
PRK0002:EL2015 : PW Facility Parking Lot Imp	0	15,000	15,000	15,000
ELE0048: EL2038 : Elec Facilities Beautification Plan	30,000	0	0	0
56203-0-Substation Capital Improvemnts	250,000	1,430,000	1,730,000	1,930,000
ELE0006: Dunham Rd Upgrade Engineering	0	0	100,000	0
ELE0006: Dunham Rd Upgrade Land Acq & Const	0	0	0	1,000,000
ELE0008: LDC #3 Pheasant Run	0	0	0	900,000
ELE0009: Split 12kv Circuits Sub 3 Eng/Const	100,000	0	1,500,000	0
ELE0010: Sub 6 Generator Replacement	20,000	0	0	0
ELE0012: Substation Capital Unplanned Failures	30,000	30,000	30,000	30,000
ELE0013: Substation TR Replace - Age/Condition	0	800,000	0	0
ELE0044: Recloser replacements	100,000	100,000	100,000	0
ELE0047: Conservation Voltage Reduction Project	0	500,000	0	0
56204-0-Transmission Capital Improve	0	0	1,750,000	530,000
ELE0014: 2nd 35kv line into LDC2	0	0	0	0
ELE0016: Feed into LDC3 - Pheasant Run	0	0	0	230,000
ELE0017: New 35kv feed to East Side - Const	0	0	0	0
ELE0017: New 35kv Feed to East Side - Eng	0	0	0	300,000
ELE0045: Replace L13156 from Kirk Road to Sub 5	0	0	1,750,000	0
56205-0-Distribution Imp-Developments	0	0	0	1,000,000
ELE0020: Pheasant Run Redevelopment (Reimb)	0	0	0	1,000,000
56206-0-Distribution Capital Improve	2,898,000	2,525,000	2,177,700	1,855,000
BRG0009:CP5039 : Piano Factory Bridge Repairs	0	0	322,700	0
ELE0021: 513 Relief	250,000	0	0	0
ELE0022: Automation of 12kv lines	0	0	250,000	250,000
ELE0024: Cable Replacement/Reinforcement	100,000	100,000	300,000	300,000
ELE0025: Complete Woodwark Link West of Randall	0	0	0	0
ELE0027: Finish Duct to Dean St	0	0	0	0
ELE0029: Leaking & Failed Transformer Replace	300,000	200,000	200,000	200,000
ELE0030: O to U-514 behind Amli-Kirk to Tyler	0	250,000	0	0
ELE0031: Overhead System Replacements	1,300,000	950,000	300,000	300,000
ELE0032: Power Factor Correction Equipment	13,000	45,000	45,000	45,000
ELE0033: Reconductor 316 Along Tracks Cedar-Tyler	0	200,000	0	0
ELE0034: Rotted SWGR Replacements	60,000	60,000	60,000	60,000
ELE0035: Station Exit Cable Replacement	100,000	200,000	300,000	300,000
ELE0036: Storm Hardening-Resident'l OvHD to UG	100,000	100,000	100,000	100,000
ELE0037: Sub 9 Circuits outside of Station	250,000	0	0	0
ELE0038: Unplanned UG Equip Failures	300,000	300,000	300,000	300,000
FAC0002: Automation of 12kV lines at PD Bldg	0	120,000	0	0
FAC0002: Reconfig Existing Loop at Valley Shopping	75,000	0	0	0
FAC0002:Service to New Police Station	50,000	0	0	0
56207-0-Services/Upgrades	42,000	44,000	45,000	45,000
ELE0039: New Service Work	42,000	44,000	45,000	45,000
56208-0-St. Light/Traffic Signal Capital	125,000	60,000	70,000	70,000
ELE0040 : First St Phase 3	43,000	0	0	0
ELE0041: Southgate/Fox Chase Replacements	32,000	0	0	0
ELE0042: Unplanned Concrete Pole Replacements	10,000	20,000	30,000	30,000
ELE0043: Unplanned Streetlight Replacements	40,000	40,000	40,000	40,000
200522-Electric Meter	140,000	1,335,000	1,020,000	1,162,000

FY 18/19 Capital Budget

Accounting Unit/Account/Capital Item	FY 18/19	FY 19/20	FY 20/21	FY 21/22
56001-0-Motor Vehicles - Replacements	0	0	0	142,000
EL9007 : Repl 2009 Ford F550 XL Aerial	0	0	0	142,000
56004-0-Computer Equipment	0	1,335,000	1,020,000	1,020,000
ELE0049:EL9010: AMI - Implementation	0	1,335,000	1,020,000	1,020,000
56170-0-Other Engineering Services - Capital	140,000	0	0	0
ELE0049:EL9010: AMI - Consultant Study	140,000	0	0	0
Total Electric Fund	3,571,000	5,781,250	7,574,100	7,618,000

Water Fund

210540-Water Administration	18,700	216,964	402,428	742
56004-0-Computer Equipment	700	714	728	742
WA1001 : Computer Equipment	700	714	728	742
56301-0-Capitalized Software	18,000	216,250	401,700	0
INT0001:WA1003: UB Software Replacement	0	0	201,000	0
INT0002: 11002 : Work Order Project	0	216,250	0	0
INT0003:CP2202:ERP Vendor Selection & Negotiations	18,000	0	0	0
INT0003:CP2202:ERP Replacement-Financials/HR/PR	0	0	200,700	0
210541-Water Operations	2,755,100	2,015,260	1,341,670	1,447,780
56001-0-Motor Vehicles - Replacements	180,000	29,000	0	0
WA5025 : Repl 1724 - 6 Wheel Dump	180,000	0	0	0
WA5042 : Repl 1760 2011 JD Skidsteer	0	29,000	0	0
56002-0-Machinery and Equipment	360,000	300,000	0	0
WTR0001:WA5004 : SCADA Upgrade/Replacement	250,000	250,000	0	0
WTR0044:WA2053 : Hydra Stop Equipment	25,000	0	0	0
WTR0046:WA2055 : Chlorine Gas Equipment Replace	35,000	0	0	0
WTR0047:WA5075 : Water Dist Sampling Stations	50,000	50,000	0	0
56004-0-Computer Equipment	3,000	3,060	3,120	3,180
WA5076 : Water Ops Computer Equipment	3,000	3,060	3,120	3,180
56101-0-Land Improvements	911,600	648,500	311,800	973,050
FAC0002:WA5070 : Police Station Bldg (Water)	627,600	0	0	0
PRK0002:WA5034 : PW Facility Parking Lot Imp	0	15,000	15,000	15,000
STR0001:WA5019 : MFT Annual Resurf Program-Water	169,000	160,000	164,000	168,000
STR0003:WA5033 : Aintree Rd Resurf/Reconst	0	0	0	55,000
STR0013:WA5032 : Ohio Ave Reconst - CMD Phase 4	60,000	0	0	0
STR0014:WA5071 : Patricia Ln FDR Via Veneto East	0	15,000	0	0
STR0015:WA5056 : Production Dr Resurf (Tyler-Kirk)	0	0	90,000	0
STR0017:WA5072 : Rita/Nicholas Reconstruction	0	15,000	0	0
STR0021:WA5052: S. 7th Ave (Main St. to Division)	0	0	42,800	0
STR0022:WA5010 : Second & Delnor Improvements	0	393,500	0	0
STR0035:WA5073 : Swenson FDR (Kirk to Kautz)	0	0	0	84,500
WTR0005:WA5036 : Longmeadow Circle - Iroquois Ave	0	0	0	650,550
WTR0029:WA2043 : Reservoir Repair WQ -#8	0	50,000	0	0
WTR0042:WA5063 : Prairie Center Waterline Replace	0	0	0	0
WTR0048:WA2056 : Water Facilities Beautification Plan	30,000	0	0	0
WTR0049:WA2057 : Red Gate Tower Berm Plantings	25,000	0	0	0
56150-0-Design Engineering - Capital	138,500	91,200	58,550	0
FAC0002:WA5070 : Police Station Bldg (Water)	63,000	0	0	0
WTR0005:WA5036 : Longmeadow Circle - Iroquois Ave	0	0	58,550	0
WTR0011:WA2010 : Water Tower Painting - 10th St	30,000	0	0	0
WTR0014:WA2022 : Well #8 Generator	0	13,200	0	0
WTR0015:WA2023 : Well #4 Convert - Pitless Adapter	0	25,000	0	0
WTR0022:WA2040 : Well #8 Electrical Eval/Conv	38,000	0	0	0
WTR0029:WA2043 : Reservoir Repair WQ -#8	7,500	0	0	0
WTR0036:WA2047: Well #3/4 Filter&Softener Media Rep	0	0	0	0
WTR0037:WA2048: Well #8 Filter&Softener Media Repl	0	53,000	0	0
56160-0-Construction Engineering - Capital	144,000	101,500	66,200	58,550
FAC0002:WA5070 : Police Station Bldg (Water)	63,000	0	0	0
STR0022:WA5010 : Second & Delnor Improvements	0	26,000	0	0
WTR0005:WA5036: Longmeadow Circle - Iroquois Ave	0	0	0	58,550
WTR0011:WA2010 : Water Tower Painting - 10th St	0	30,000	0	0
WTR0012:WA2011 : Water Tower Paintng-Campton Hills	81,000	0	0	0
WTR0014:WA2022 : Well #8 Generator	0	0	13,200	0

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WTR0022:WA2040 : Well #8 Electrical Eval/Conv	0	38,000	0	0
WTR0029:WA2043 : Reservoir Repair WQ -#8	0	7,500	0	0
WTR0037:WA2048: Well #8 Filter&Softener Media Repl	0	0	53,000	0
56170-0-Other Engineering Services - Capital	10,000	0	0	0
FAC0002:WA5070 : PD Bldg-Fire Flow Modeling	10,000	0	0	0
56200-0-Structures and Improvements	20,000	0	0	10,000
WTR0043:WA2052 : Door Replacement Chlorine Rooms	20,000	0	0	10,000
56209-0-Wells	138,000	542,000	902,000	403,000
WTR0014:WA2022 : Well #8 Generator	0	0	110,000	0
WTR0015:WA2023 : Well #4 Convert - Pitless Adapter	0	0	100,000	0
WTR0016:WA2027 : Well #9 Preventive Maintenance	0	0	0	70,000
WTR0017:WA2028: Well #13 Preventative Maintenance	0	0	0	70,000
WTR0018:WA2029: Well #3 Preventive Maintenance	0	0	0	200,000
WTR0019:WA2031 : Well #4 Preventive Maintenance	0	0	200,000	0
WTR0021:WA2039 : Well #11 Preventative Maint	70,000	0	0	0
WTR0022:WA2040 : Well #8 Electrical Eval/Conv	0	500,000	0	0
WTR0032:WA2037: Well #3/4 Booster Pump Maint BP #A	0	0	21,000	0
WTR0032:WA2037: Well #3/4 Booster Pump Maint BP #B	0	0	0	21,000
WTR0032:WA2037: Well #3/4 Booster Pump Maint BP #C	0	0	0	21,000
WTR0033:WA2044: Well #7 Booster Pump Maint BP #A	0	0	0	21,000
WTR0034:WA2045: Well #8 Booster Pump Maint BP #C	24,000	0	0	0
WTR0034:WA2045: Well #8 Booster Pump Maint BP #D	24,000	0	0	0
WTR0035:WA2046: Well #11 Booster Pump Maint BP #A	0	21,000	0	0
WTR0035:WA2046: Well #11 Booster Pump Maint BP #B	0	21,000	0	0
WTR0035:WA2046: Well #11 Booster Pump Maint BP #C	0	0	21,000	0
WTR0037:WA2048: Well #8 Filter&Softener Media Repl	0	0	440,000	0
WTR0045:WA2054 : Well House Master Meter Replace	20,000	0	10,000	0
56211-0-District Reservoir & Standpipe	850,000	300,000	0	0
WTR0011:WA2010 : Water Tower Painting - 10th St	0	300,000	0	0
WTR0012:WA2011 : Water Tower Paintng-Campton Hills	850,000	0	0	0
WTR0026:WA2042 : Water Tower Painting - Red Gate	0	0	0	0
210542-Water Meter	60,000	1,452,667	1,266,667	1,266,667
56001-0-Motor Vehicles - Replacements	0	51,000	0	0
WA7003 : Repl 1811 2011 Ford F350	0	51,000	0	0
56004-0-Computer Equipment	0	1,401,667	1,266,667	1,266,667
ELE0049:WA7004 : AMI - Implementation	0	1,401,667	1,266,667	1,266,667
56170-0-Other Engineering Services - Capital	60,000	0	0	0
ELE0049:WA7004 : AMI - Consultant Study	60,000	0	0	0
Total Water Fund	2,833,800	3,684,891	3,010,765	2,715,189

Wastewater Fund

220550-Wastewater Administration	18,000	216,250	401,700	0
56301-0-Capitalized Software	18,000	216,250	401,700	0
INT0001:WW1003: UB Software Replacement	0	0	201,000	0
INT0002: 11002 : Work Order Project	0	216,250	0	0
INT0003:CP2202:ERP Vendor Selection & Negotiations	18,000	0	0	0
INT0003:CP2202:ERP Replacement-Financials/HR/PR	0	0	200,700	0
220551-Wastewater Plant Operations	1,180,760	1,388,420	5,950,940	768,300
56001-0-Motor Vehicles - Replacements	0	113,000	0	26,000
WW2018 : Repl 1875 2009 Ford Escape	0	0	0	26,000
WW2028 : Repl 1765 2011 INT 7400	0	113,000	0	0
56002-0-Machinery and Equipment	545,000	250,000	0	0
WWP0001:WW2016 : SCADA Enhancements	250,000	250,000	0	0
WWP0014:WW4006 : 30HP Pumps Westside Plant (2)	16,000	0	0	0
WWP0015:WW2034 : VFD Motor Drive Replacement	9,000	0	0	0
WWP0016:WW5009 : Eastside Lift Fine Screen Rebuild	62,000	0	0	0
WWP0017:WW4007 : Westside Digester & Clarifier Exhaust F	28,000	0	0	0
WWP0018:WW5010 : Riverside Lift Statn 180 HP Pump	115,000	0	0	0
WWP0019:WW2037 : Replace Heaters @WWTP	65,000	0	0	0
56004-0-Computer Equipment	6,000	0	0	0
WW2038 : Laptop/ Ipad for 7 employees	6,000	0	0	0

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56101-0-Land Improvements	30,000	0	0	0
WWP0019:WW2036 : WW Facilities Beautification Plan	30,000	0	0	0
56150-0-Design Engineering - Capital	39,200	386,900	38,100	160,000
SAN0002:WW5006 : Country Club Lift Stat Repl Const	39,200	0	0	0
WWP0004:WW2025 : Primary Clarifier Rehabilitation	0	34,300	0	0
WWP0005:WW2026: UIV Light Disinfection Replacement	0	0	0	160,000
WWP0010:WW5004 : Riverside Lift Station Replacemnt	0	352,600	0	0
WWP0012:WW5008: Wildrose Lift Station Replacement	0	0	38,100	0
56160-0-Construction Engineering - Capital	36,700	39,200	386,900	38,100
SAN0001:WW5005 : 7th&Division Lift Stat Repl Const	36,700	0	0	0
SAN0002:WW5006 : Country Club Lift Stat Repl Const	0	39,200	0	0
WWP0004:WW2025 : Primary Clarifier Rehabilitation	0	0	34,300	0
WWP0010:WW5004 : Riverside Lift Station Replacemnt	0	0	352,600	0
WWP0012:WW5008: Wildrose Lift Station Replacement	0	0	0	38,100
WWP0013:WW2023: Phosphorus & Digester Project	0	0	0	0
56200-0-Structures and Improvements	523,860	599,320	5,525,940	544,200
SAN0001:WW5005 : 7th&Division Lift Stat Repl Const	523,860	0	0	0
SAN0002:WW5006 : Country Club Lift Stat Repl Const	0	599,320	0	0
WWP0004:WW2025 : Primary Clarifier Rehabilitation	0	0	489,000	0
WWP0010:WW5004 : Riverside Lift Station Replacemnt	0	0	5,036,940	0
WWP0012:WW5008: Wildrose Lift Station Replacement	0	0	0	544,200
220552-Wastewater Collections	1,661,350	2,949,595	1,072,312	990,445
56001-0-Motor Vehicles - Replacements	0	346,000	0	147,000
WW6021 : Repl 1761 2009 Ford 550	0	0	0	79,000
WW6022 : Repl 1864 2009 Ford 550 4x4	0	0	0	68,000
WW6052 : Repl 1760 2011 JD Skidsteer (split w/Wtr)	0	39,000	0	0
WW6056 : Repl 1708 2017 Sewer Cleaner	0	307,000	0	0
56002-0-Machinery and Equipment	25,000	77,000	25,000	0
SAN0003:WW6003 : Trailer Pumps	0	52,000	0	0
SAN0005:WW6015 : Sanitary Sewer Flow Metering	25,000	25,000	25,000	0
56101-0-Land Improvements	1,092,350	2,171,200	830,800	618,600
FAC0002:WW6060 : Police Station Bldg (Sanitary)	668,500	0	0	0
PRK0002:WW6030 : PW Facility Parking Lot Imp	0	15,000	15,000	15,000
SAN0008:WW6031 : Dunham & Royal St George	0	350,000	0	0
SAN0009:WW6032 : N 3rd Ave & Delnor Glen Subdivis	0	12,700	0	0
SAN0011:WW6034 : Indiana St. Btwn 13th & 14th	0	0	0	36,850
SAN0012:WW6033 : 3619 East Main St - Stein Mart	0	0	35,500	0
SAN0015:WW6051 : CMOM (Cap/Mgt/Op/Mnt) Prgm-Step3	372,000	383,000	394,000	406,000
SAN0018:WW6062 : 7th St-Elm Back-Pitched Sewr Repl	0	0	214,000	0
STR0001:WW6008 : MFT Annual Resurf Program-Sewer	51,850	134,000	138,000	142,000
STR0003:WW6026 : Aintree Rd Resurf/Reconst	0	0	0	6,750
STR0014:WW6063 : Patricia Ln FDR Via Veneto East	0	3,500	0	0
STR0015:WW6048 : Production Dr Resurf (Tyler-Kirk)	0	0	12,900	0
STR0017:WW6049 : Rita/Nicholas Reconstruction	0	270,000	0	0
STR0020:WW6043 : S. 3rd (Main St. to Gray Street)	0	0	0	0
STR0021:WW6044 : S. 7th Ave (Main St. to Division)	0	0	21,400	0
STR0022:WW6028 : Second & Delnor Imp	0	1,003,000	0	0
STR0035:WW6064 : Swenson FDR (Kirk Rd to Kautz Rd)	0	0	0	12,000
56150-0-Design Engineering - Capital	428,000	217,895	198,317	221,529
FAC0002:WW6060 : Police Station Bldg (Sanitary)	66,000	0	0	0
SAN0004:WW6007 : 4th & Indiana Sts - Heavy Flows	0	0	0	17,334
SAN0008:WW6031 : Dunham & Royal St George	35,000	0	0	0
SAN0010:WW6035 : Dunham & Muirfield-Drop Manhole	0	0	0	3,195
SAN0011:WW6034 : Indiana St. Btwn 13th & 14th	0	0	3,317	0
SAN0012:WW6033 : 3619 East Main St - Stein Mart	0	3,195	0	0
SAN0015:WW6051 : CMOM Prgm-Flow Monitoring-Step 1	120,000	80,000	82,000	85,000
SAN0015:WW6051 : CMOM Prgm-SSES-Step 2	170,000	110,000	113,000	116,000
SAN0018:WW6062 : 7th St-Elm Back-Pitched Sewr Repl	0	24,700	0	0
STR0017:WW6049 : Rita/Nicholas Reconstruction	37,000	0	0	0
56160-0-Construction Engineering - Capital	66,000	137,500	18,195	3,316
FAC0002:WW6060 : Police Station Bldg (Sanitary)	66,000	0	0	0
SAN0008:WW6031 : Dunham & Royal St George	0	35,000	0	0
SAN0011:WW6034 : Indiana St. Btwn 13th & 14th	0	0	0	3,316

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SAN0012:WW6033: 3619 East Main St - Stein Mart	0	0	3,195	0
SAN0018:WW6062 : 7th St-Elm Back-Pitched Sewr Repl	0	0	15,000	0
STR0017:WW6049 : Rita/Nicholas Reconstruction	0	37,000	0	0
STR0022:WW6028 : Second & Delnor Imp	0	65,500	0	0
56170-0-Other Engineering Services - Capital	50,000	0	0	0
SAN0014:WW6050 : Rear Yard Utility Conversion	50,000	0	0	0
Total Wastewater Fund	2,860,110	4,554,265	7,424,952	1,758,745

Wastewater Connection Fee Fund

221553-Wastewater Connection Fee

56100-0-Land	27,000	0	0	0
SAN0016:WW6055 : IL31 & Roosevelt SCO2 Trunk Main	27,000	0	0	0
56101-0-Land Improvements	900,000	2,500,000	0	0
SAN0006:WW6016 : Dunham Rd Force Main	900,000	0	0	0
SAN0016:WW6055 : IL31 & Roosevelt SCO2 Trunk Main	0	2,500,000	0	0
56150-0-Design Engineering - Capital	1,475,000	0	0	0
WWP0007:WW4000 : West Plant Expansion Phase IIIA	1,200,000	0	0	0
SAN0016:WW6055 : IL31 & Roosevelt SCO2 Trunk Main	275,000	0	0	0
56160-0-Construction Engineering - Capital	90,000	1,375,000	0	0
WWP0007:WW4000 : West Plant Expansion Phase IIIA	0	1,200,000	0	0
SAN0006:WW6016 : Dunham Rd Force Main	90,000	0	0	0
SAN0016:WW6055 : IL31 & Roosevelt SCO2 Trunk Main	0	175,000	0	0
56200-0-Structures and Improvements	0	15,100,000	0	0
WWP0007:WW4000 : West Plant Expansion Phase IIIA	0	15,100,000	0	0
Total Wastewater Connection Fee Fund	2,492,000	18,975,000	0	0

MFT Fund

350500-Motor Fuel Tax	1,110,000	1,000,000	1,000,000	1,000,000
56101-0-Land Improvements	1,110,000	1,000,000	1,000,000	1,000,000
STR0001:MF1000 : MFT Annual Resurfacing Program	1,110,000	1,000,000	1,000,000	1,000,000
Total MFT Fund	1,110,000	1,000,000	1,000,000	1,000,000

TIF #7 Central Downtown Capital

507663-TIF #7 Phase 3 Cap Proj	1,812,664	0	0	0
54189-0-Other Professional Services	30,000	0	0	0
FIR0003:FS036:1st St Phase 3 Environmental Permitting	30,000	0	0	0
56101-0-Land Improvements	1,509,750	0	0	0
FIR0003:FS041: 1st St Stscape Bldg 2	200,000	0	0	0
FIR0008:FS046: 1st St Riverwalk & East Plaza	1,309,750	0	0	0
56150-0-Design Engineering - Capital	91,713	0	0	0
FIR0008:FS046: 1st St Riverwalk & East Plaza	91,713	0	0	0
56160-0-Construction Engineering - Capital	105,713	0	0	0
FIR0003:FS041: 1st St Stscape Bldg 2	14,000	0	0	0
FIR0008:FS046: 1st St Riverwalk & East Plaza	91,713	0	0	0
56170-0-Other Engineering Services - Capital	75,488	0	0	0
FIR0003:FS041: 1st St Streetscape Bldg 2 CM Fee	10,000	0	0	0
FIR0008:FS046: 1st St Riverwalk & East Plaza CM Fee	65,488	0	0	0
507665-TIF #7 Bldg 6 Cap Proj	120,000	541,450	0	0
54189-0-Other Professional Services	50,000	0	0	0
FIR0012:FS050: 1st St Bldg 6 Environmental Permitting	50,000	0	0	0
56101-0-Land Improvements	50,000	455,000	0	0
FIR0012:FS050: 1st St Bldg 6 Environmental CONST	50,000	0	0	0
FIR0012:FS050: 1st St Bldg 6 Stscape	0	455,000	0	0
56150-0-Design Engineering - Capital	0	31,850	0	0
FIR0012:FS050: 1st St Bldg 6 Stscape	0	31,850	0	0
56160-0-Construction Engineering - Capital	20,000	31,850	0	0
FIR0012:FS050: 1st St Bldg 6 Environmental	20,000	0	0	0
FIR0012:FS050: 1st St Bldg 6 Stscape CE	0	31,850	0	0

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56170-0-Other Engineering Services - Capital	0	22,750	0	0
FIR0012:FS050: 1st St Bldg 6 Stscape Const Mgt Fee	0	22,750	0	0
Total TIF #7 Downtown TIF Capital	1,932,664	541,450	0	0

Capital Projects

513200-Capital Projects-IS	712,900	657,000	15,000	0
54256-0-IT Consulting	207,900	207,000	2,500	0
CP2003 : IT Project Management	0	0	2,500	0
CP2007 : Survey Monumentation	16,000	16,000	0	0
CP2008 : Strategic Technology Plan Devel	26,500	0	0	0
CP2010 : Network Infrastructure Redevelopment	90,000	12,000	0	0
CP2011 : Website Redesign	0	80,000	0	0
CP2012 : Storage Area Network Repl	0	30,000	0	0
CP2013 : Computer Room Upgrades	0	19,000	0	0
CP2014 : Security Program Implementation	65,000	30,000	0	0
CP2015 : Virtual Desktop Infrast (VDI) Implement	10,400	15,000	0	0
CP2016 : File Sharing	0	5,000	0	0
56004-0-Computer Equipment	500,000	365,000	0	0
CP2010 : Network Infrastructure Redevelopment	500,000	60,000	0	0
CP2012 : Storage Area Network Repl	0	170,000	0	0
CP2013 : Computer Room Upgrades	0	75,000	0	0
CP2015 : Virtual Desktop Infrast (VDI) Implement	0	60,000	0	0
56301-0-Capitalized Software	5,000	85,000	12,500	0
CP2003 : IT Project Management	0	0	12,500	0
CP2011 : Website Redesign	0	40,000	0	0
CP2014 : Security Program Implementation	5,000	0	0	0
CP2016 : File Sharing	0	45,000	0	0
513220-Capital Projects-Finance	48,000	135,500	535,200	0
54256-0-IT Consulting	48,000	0	0	0
INT0003:CP2202:ERP Replacement-Financials/HR/PR	48,000	0	0	0
56301-0-Capitalized Software	0	135,500	535,200	0
INT0003:CP2202:ERP Replacement-Financials/HR/PR	0	0	535,200	0
INT0004:CP2006 : Replace LBP	0	135,500	0	0
513300-Capital Projects-Police	65,000	0	0	0
56004-0-Computer Equipment	40,000	0	0	0
CP3016: LT Data Storage	40,000	0	0	0
56101-0-Land Improvements	25,000	0	0	0
CP3015 : Fencing for Shooting Range	25,000	0	0	0
513400-Capital Projects-Fire	142,500	1,000,000	0	850,000
56002-0-Machinery and Equipment	142,500	0	0	0
CP4003 : Air Cascase/Compressor	42,500	0	0	0
CP4010 : Cardiac Monitors	100,000	0	0	0
56200-0-Structures and Improvements	0	1,000,000	0	850,000
CP4011 : Fire Station #2 Addition	0	1,000,000	0	0
CP4012 : Replace Fire Training Tower	0	0	0	850,000
513500-Capital Projects-Street/Bridge	2,154,240	2,998,090	4,342,320	2,228,250
56002-0-Machinery and Equipment	30,000	0	0	0
PSV0009:CP5090 : Traffic Attenuator Rated 45 MPH	30,000	0	0	0
56101-0-Land Improvements	1,440,000	1,785,750	2,080,750	1,653,750
PRK0002:CP5045 : PW Facility Parking Lot Imp	0	18,750	18,750	18,750
PRK0004:CP5089 : City Parking Lot Imp-Checkerboard	50,000	0	0	0
PRK0005:CP5099 : City Parking Lot Imp-Riverside	0	25,000	0	0
PRK0006:CP5100 : City Parking Lot Imp-Lot B	0	32,000	0	0
PRK0007:CP5101 : City Parking Lot Imp-Lot G	0	37,000	0	0
PRK0008:CP5102 : City Parking Lot Imp-Lot T	0	0	12,000	0
PRK0009:CP5103 : City Parking Lot Imp-Lot Q	0	0	15,000	0
PRK0010:CP5104 : City Parking Lot Imp-Lot R	0	0	0	25,000
PSV0001:CP5037 : Main St Bridge Alcove Repairs	0	0	0	150,000
PSV0011:CP5043 : Downtown Brick Replacement	50,000	50,000	0	0
STR0003:CP5032 : Aintree Rd Resurf/Reconst	0	0	0	450,000
STR0004:CP5030 : Campton Hills Resurf (Peck West)	350,000	0	0	0

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STR0013:CP5036 : Ohio Ave FDR - CMD Phase 4	825,000	0	0	0
STR0014:CP5072 : Patricia FDR (ViaVeneto E-Divisn)	0	285,000	0	0
STR0015:CP5071 : Production Dr FDR (Tyler-Kirk)	0	0	900,000	0
STR0017:CP5073 : Rita/Nicholas Reconstruction	0	350,000	0	0
STR0021:CP5070 : S. 7th Ave (Main St. to Division)	0	0	950,000	0
STR0022:CP5040 : Second & Delnor Improvements	0	683,000	0	0
STR0026:CP5083 : Sidewalk Gap Program	25,000	25,000	25,000	25,000
STR0027:CP5029 : Pavement Rejuvenation	140,000	60,000	60,000	60,000
STR0029:CP5084 : Crack Sealing	0	100,000	100,000	100,000
STR0033:CP5092 : Guardrail Repl Prairie Brdg/River	0	80,000	0	0
STR0034:CP5093 : Rpl Barrier Fence Lot H (Wind Em)	0	40,000	0	0
STR0035:CP5094 : Swenson FDR (Kirk to Kautz)	0	0	0	825,000
56150-0-Design Engineering - Capital	89,000	173,590	0	0
BRG0009:CP5039 : Piano Factory Bridge Repairs	0	173,590	0	0
STR0014:CP5072 : Patricia FDR (ViaVeneto E-Divisn)	5,000	0	0	0
STR0017:CP5073 : Rita/Nicholas Reconstruction	37,000	0	0	0
STR0033:CP5092 : Guardrail Repl Prairie Bridge/River	12,000	0	0	0
TRF0001:CP5013 : Campton/Peck Traffic Signals	35,000	0	0	0
56160-0-Construction Engineering - Capital	128,500	146,500	346,000	148,500
BRG0009:CP5039 : Piano Factory Bridge Repairs	0	0	154,300	0
STR0003:CP5032 : Aintree Rd Resurf/Reconst	0	0	0	54,000
STR0004:CP5030 : Campton Hills Resurf (Peck West)	35,000	0	0	0
STR0013:CP5036 : Ohio Ave FDR - CMD Phase 4	93,500	0	0	0
STR0014:CP5072 : Patricia FDR (ViaVeneto E-Divisn)	0	35,000	0	0
STR0015:CP5071 : Production Dr FDR (Tyler-Kirk)	0	0	90,000	0
STR0017:CP5073 : Rita/Nicholas Reconstruction	0	37,000	0	0
STR0021:CP5070 : S. 7th Ave (Main St. to Division)	0	0	101,700	0
STR0022:CP5040 : Second & Delnor Improvements	0	44,500	0	0
STR0035:CP5094 : Swenson FDR (Kirk to Kautz)	0	0	0	94,500
TRF0001:CP5013 : Campton/Peck Traffic Signals	0	30,000	0	0
56170-0-Other Engineering Services - Capital	301,740	86,000	121,000	51,000
BRG0009:CP5039 : Piano Factory Bridge Repairs	250,740	0	0	0
STR0008:CP5016 : General Testing Services	51,000	51,000	51,000	51,000
STR0023:CP5017 : Street Rating Evaluation	0	0	70,000	0
STR0025:CP5082 : Citywide Bike Plan	0	35,000	0	0
56200-0-Structures and Improvements	0	125,000	1,606,070	200,000
BRG0009:CP5039 : Piano Factory Bridge Repairs	0	0	1,606,070	0
BRG0012:CP5078 : Red Gate Bridge Painting Repairs	0	125,000	0	0
PSV0005:CP5079 : West Side Salt Dome Roof Repl	0	0	0	200,000
56208-0-St. Light/Traffic Signal Capital	165,000	465,000	188,500	175,000
ELE0048:CP5098 : LED Streetlight Retrofits	165,000	165,000	175,000	175,000
TRF0001:CP5013 : Campton/Peck Traffic Signals	0	300,000	0	0
TRF0002:CP5096 : LED Signal Head Replacements	0	0	12,000	0
TRF0003:CP5097 : Battery Backup Replacements	0	0	1,500	0
56301-0-Capitalized Software	0	216,250	0	0
INT0002: 11002 : Work Order Project	0	216,250	0	0
513501-Capital Projects-Storm	2,424,333	753,935	4,389,132	1,285,480
56100-0-Land	0	25,781	98,438	152,667
STM0001:CP5704 : 7th Ave Creek Imp-Prop Acq/Demo	0	25,781	98,438	152,667
56101-0-Land Improvements	2,227,677	362,600	3,833,650	795,313
FAC0002:CP5751 : State St Crk Reg SW Detention-VSC	0	0	0	0
STM0001:CP5704 : 7th Ave Creek Imp-Const	0	0	3,599,050	581,813
STM0001:CP5708 : 7th Ave Creek Imp	1,502,177	0	0	0
STM0010:CP5732 : 1336 IL31 Culvert Ext/Sidewlk Imp	3,000	3,000	3,000	0
STM0012:CP5734 : Renaux Manor Storm Sewer	500,000	0	0	0
STM0024:CP5703 : Fox Glen Norton Creek 3-Yr Maint	5,200	3,000	0	0
STM0027:CP5721 : Sump Line Replacement and Repairs	25,000	25,000	25,000	25,000
STR0001:CP5700 : MFT Annual Resurf Program-Storm	87,300	134,000	138,000	142,000
STR0003:CP5032 : Aintree Rd Resurf/Reconst	0	0	0	22,500
STR0004:CP5030 : Campton Hills Resurf (Peck West)	55,000	0	0	0
STR0013:CP5750 : Ohio Ave FDR - CMD Phase 4-Storm	50,000	0	0	0
STR0014:CP5753 : Patricia Ln FDR Via Veneto East	0	7,000	0	0
STR0015:CP5071 : Production Dr FDR (Tyler-Kirk)	0	0	25,800	0

FY 18/19 Capital Budget

Accounting Unit/Account/Capital Item	FY 18/19	FY 19/20	FY 20/21	FY 21/22
STR0017:CP5754 : Rita/Nicholas Reconstruction	0	4,600	0	0
STR0021:CP5756 : S. 7th Ave (Main St. to Division)	0	0	42,800	0
STR0022:CP5723 : Second & Delnor Improvements	0	186,000	0	0
STR0035:CP5094 : Swenson FDR (Kirk to Kautz)	0	0	0	24,000
56150-0-Design Engineering - Capital	0	326,254	53,610	71,484
FAC0002:CP5751 : State St Crk Reg SW Detention-VSC	0	0	0	0
STM0001:CP5704 : 7th Ave Creek Imp-DE	0	326,254	53,610	71,484
56160-0-Construction Engineering - Capital	176,656	19,300	283,434	46,016
FAC0002:CP5751 : State St Crk Reg SW Detention-VSC	0	0	0	0
STM0001:CP5704 : 7th Ave Creek Imp-CE	0	0	280,034	46,016
STM0001:CP5708 : 7th Ave Crk Imp (Culvert Maint)	119,056	0	0	0
STM0010:CP5732 : 1336 IL31 Culvert Ext/Sidewlk Imp	4,200	3,400	3,400	0
STM0012:CP5734 : Renaux Manor Storm Sewer	50,000	0	0	0
STM0024:CP5703 : Fox Glen Norton Creek 3-Yr Maint	3,400	3,400	0	0
STR0022:CP5723 : Second & Delnor Improvements	0	12,500	0	0
56170-0-Other Engineering Services - Capital	20,000	20,000	120,000	220,000
STM0001:CP5704 : 7th Ave Creek Imp - Grant Appl	20,000	20,000	20,000	20,000
STM0008:CP5728 : Culvert Inspection Report	0	0	0	35,000
STM0013:CP5735 : Geneva Creek Storm/Watershed Plan	0	0	100,000	0
STM0014:CP5736 : Fox River Storm/Watershed Plan	0	0	0	165,000
513511-Capital Projects-Special Svcs	1,353,000	625,000	615,000	3,330,000
56002-0-Machinery and Equipment	15,000	15,000	15,000	15,000
FAC0023:CP5845 : Snow Removal Equipment	15,000	15,000	15,000	15,000
56003-0-Office Furnishings and Equip	0	0	0	0
FAC0021:CP5843 : Rpl 37 Office Chairs-CH Conf Rms	0	0	0	0
56101-0-Land Improvements	0	0	0	2,400,000
RIV0001:CP5812: Fox River Retaining Wall Replce	0	0	0	2,400,000
56150-0-Design Engineering - Capital	0	0	300,000	0
RIV0001:CP5812: Fox River Retaining Wall Replce DE	0	0	300,000	0
56160-0-Construction Engineering - Capital	0	0	0	340,000
RIV0001:CP5812: Fox River Retaining Wall Replce CE	0	0	0	340,000
56170-0-Other Engineering Services - Capital	410,000	300,000	300,000	0
FAC0022:CP5844 : City Hall Roof Repair	10,000	0	0	0
RIV0004:CP5834 : Active River Project (Preliminary Design)	400,000	300,000	300,000	0
56200-0-Structures and Improvements	928,000	310,000	0	575,000
FAC0003:CP5813 : PW Roof Replacement	0	0	0	175,000
FAC0005:CP5815 : PW Admin Bldg Roof Maintenance	0	0	0	200,000
FAC0006:CP5816 : IDOT Facility Roof Repairs	0	200,000	0	0
FAC0007:CP5817 : Century Station Roof Maintenance	0	0	0	200,000
FAC0008:CP5818 : Parking Garage Repairs	0	75,000	0	0
FAC0009:CP5819 : Arcada Theatre HVAC Renovations	0	0	0	0
FAC0010:CP5820 : Arcada/George's Sports Remodeling	900,000	0	0	0
FAC0020:CP5842 : PW Server Rm Climate Control Imp	28,000	0	0	0
FAC0022:CP5844 : City Hall Roof Repair	0	35,000	0	0
513600-Capital Projects-Community Dev	490,000	524,120	2,229,280	490,000
55202-0-Other Governmental Taxes and Fees	490,000	507,060	1,472,140	490,000
CP6003 : IGA Randall Rd/Woodward Rd Imp	490,000	490,000	0	490,000
56301-0-Capitalized Software	0	17,060	757,140	0
CP2006 : CD Permitting Software Repl	0	0	715,000	0
CP6001 : City View Electronic Plans Review	0	0	42,140	0
CP6001 : City View Mobile/Code Enforce	0	8,530	0	0
CP6001 : City View Mobile/Permit Insp	0	8,530	0	0
Total Capital Projects	\$ 7,389,973	\$ 6,687,958	\$ 11,635,219	\$ 8,183,730

Equipment Replacement Fund

520200-IT Equipment Replacement	100,000	100,000	100,000	100,000
56004-0-Computer Equipment	100,000	100,000	100,000	100,000
CO2000 : Computer Replacement Purchases	100,000	100,000	100,000	100,000
Total Equipment Replacement	100,000	100,000	100,000	100,000

FY 18/19 Capital Budget

Accounting Unit/Account/Capital Item	FY 18/19	FY 19/20	FY 20/21	FY 21/22
Police Building Construction				
521300-Police Bldg Construction	20,000,000	100,000	0	0
56200-0-Structures and Improvements	20,000,000	100,000	0	0
FAC0002:CO3046 : Keyscan/Gates/Cameras at PD Bldg	0	100,000	0	0
FAC0002:CP5810 : Police Station Bldg	20,000,000	0	0	0
Total Police Building Construction	20,000,000	100,000	0	0
Inventory				
800223-Inventory	1,500	41,000	0	50,000
56001-0-Motor Vehicles - Replacements	0	0	0	50,000
IN2003 : Repl 1714 Nissan Forklift	0	0	0	50,000
56002-0-Machinery and Equipment	0	40,000	0	0
IN2009 : Fuel System Replacement	0	40,000	0	0
56003-0-Office Furnishings and Equip	500	0	0	0
IN2013 : Desk Chairs	500	0	0	0
56004-0-Computer Equipment	1,000	1,000	0	0
IN2002 : Tablets for Inventory	1,000	1,000	0	0
Total Inventory	1,500	41,000	0	50,000
Motor Vehicle Replacement				
801300-Motor Vehicle-Police	91,000	188,000	186,000	49,000
56001-0-Motor Vehicles - Replacements	91,000	188,000	186,000	49,000
MV3015 : Repl 1931 PD 06 2008 CrownVic	46,000	0	0	0
MV3034 : Repl 1841 2011 Crown Vic (44)	0	0	46,000	0
MV3036 : Repl 1869 2011 Chevy Tahoe (41)	45,000	0	0	0
MV3038 : Repl 1942 2016 Ford Interceptor	0	0	0	49,000
MV3039 : Repl PD22 Ford Interceptor	0	46,000	0	0
MV3040 : Repl Ford Crown Vic PD 23	0	46,000	0	0
MV3041 : Repl Chevy Tahoe PD 20	0	50,000	0	0
MV3042 : Repl 1884 2014 Chevy Tahoe	0	0	49,000	0
MV3043 : Repl 1895 2014 Chevy Tahoe	0	0	45,000	0
MV3044 : Repl 1955 2016 Ford Interceptor	0	46,000	0	0
MV3045 : Repl 1990 2014 Dodge Charger	0	0	46,000	0
801400-Motor Vehicle-Fire	957,888	0	0	70,109
56001-0-Motor Vehicles - Replacements	957,888	0	0	70,109
MV4008 : Repl 1831 Brush Truck	0	0	0	70,109
MV4012 : Replace Seagrave Rescue Squad	845,000	0	0	0
MV4200 : Repl 1750 1999 Dodge 4WD	56,444	0	0	0
MV4201 : Repl 1812 1998 Dodge 3500	56,444	0	0	0
801510-Motor Vehicle-PS-Const Svcs	533,000	1,442,000	182,000	738,000
56001-0-Motor Vehicles - Replacements	498,000	1,442,000	182,000	738,000
MV5009 : Repl 1746 F-550 4x2	56,000	0	0	0
MV5010 : Repl 1797 2007 IHC 7400 4x2	170,000	0	0	0
MV5011 : Repl 1798 2007 IHC 7400 4x2	170,000	0	0	0
MV5014 : Repl 1819 2004 Gehl Skidsteer	56,000	0	0	0
MV5016 : Repl 1865 2000 Cat Loader	0	55,000	0	0
MV5022 : Repl 1941 2007 IHC 7400 SFA 6x4	0	170,000	0	0
MV5023 : Repl 1943 2007 IHC 7400 SFA 6x4	0	170,000	0	0
MV5024 : Repl 1956 2008 Ford F550 V8	0	69,000	0	0
MV5027 : Repl 1860 2009 IHC 7400 4x2	0	0	0	170,000
MV5028 : Repl 1700 2008 Ford F350 SD	46,000	0	0	0
MV5029 : Repl 1703 2008 Ford F350 SD	0	33,000	0	0
MV5030 : Repl 1794 2011 IHC 7400 SFA 4x2	0	175,000	0	0
MV5031 : Repl 1788 2008 Caterpillar Endloader	0	0	144,000	0
MV5032 : Repl 1825 2009 IHC 7400 6x4	0	190,000	0	0
MV5033 : Repl 1828 2009 IHC 7400 4x2	0	0	0	168,000
MV5034 : Repl 1775 2011 Ford F550 Dump	0	92,000	0	0
MV5035 : Repl 1793 2011 IHC 7400 6x4	0	175,000	0	0
MV5036 : Repl 1868 2013 Vermeer Mini Skidsteer	0	0	38,000	0
MV5037 : Repl 1871 2009 Case 435 Skidsteer	0	58,000	0	0

FY 18/19 Capital Budget

Accounting Unit/Account/Capital Item	FY 18/19	FY 19/20	FY 20/21	FY 21/22
MV5038 : Repl 1873 2009 Case 435 Skidsteer	0	48,000	0	0
MV5051 : Repl 1880 2012 Whirlwind Sweeper Yr2002	0	0	0	250,000
MV5702 : Repl 2172 TV Trailer	0	0	0	150,000
MV5704 : Repl 1713 2008 Ford F350SD	0	42,000	0	0
MV5708 : Repl 1708 2017 Sewer Cleaner	0	165,000	0	0
56002-0-Machinery & Equipment	35,000	0	0	0
PSV0010:CP5091 : Repl 3-axle Storm/Construct Trail	35,000	0	0	0
801511-Motor Vehicle-PS-Special Svcs	0	0	61,000	0
56001-0-Motor Vehicles - Replacements	0	0	61,000	0
MV5802 : Repl 1743 2006 Ford F350	0	0	61,000	0
801512-Fleet Services	46,000	0	0	0
56001-0-Motor Vehicles - Replacements	46,000	0	0	0
FL5002 : Repl 1832 2007 Ford F550	46,000	0	0	0
801600-Motor Vehicle-Comm Develop	0	0	0	34,000
56001-0-Motor Vehicles - Replacements	0	0	0	34,000
MV6003 : Repl 1725 2008 Ford Escape	0	0	0	34,000
Total Motor Vehicle Fund	1,627,888	1,630,000	429,000	891,109

Communications

804530-Communications-Fiber	234,000	324,500	202,000	10,000
56002-0-Machinery and Equipment	90,000	22,000	22,000	10,000
COM0003:CO3004 : PW Facility Key Scan	10,000	10,000	10,000	10,000
COM0005:CO3023 : Replace Splice Machine	0	0	12,000	0
COM0011:CO3035 : PW Radio Replacement	80,000	0	0	0
COM0016:CO3043 : OTDR and Splice Tool Replacements	0	12,000	0	0
56004-0-Computer Equipment	50,000	0	0	0
CO3047 : New Cameras-West Parking Deck	50,000	0	0	0
56213-0-Fiber Optic System	94,000	302,500	180,000	0
COM0001:CO3000 : River Crossing Fiber	0	40,000	0	0
COM0002:CO3001 : Sub 8 to Sub 2 Fiber Connect	0	0	30,000	0
COM0008:CO3028 : Garage to Sub 5 Fiber Repl	94,000	0	0	0
COM0012:CO3036 : Sub 2 to North High School	0	0	150,000	0
COM0013:CO3037 : Sub 3 to LDC 2	0	94,000	0	0
COM0018:CO3042: Sub 6 to Sub 8 via Route 38	0	123,500	0	0
FAC0002:CO3045 : Fiber to New Police Station	0	45,000	0	0
Total Communications Fund	234,000	324,500	202,000	10,000

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 \$25,000 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 Improvement Project - 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 are 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 regulations, 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 (GAAP) 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 (GASB) 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.