

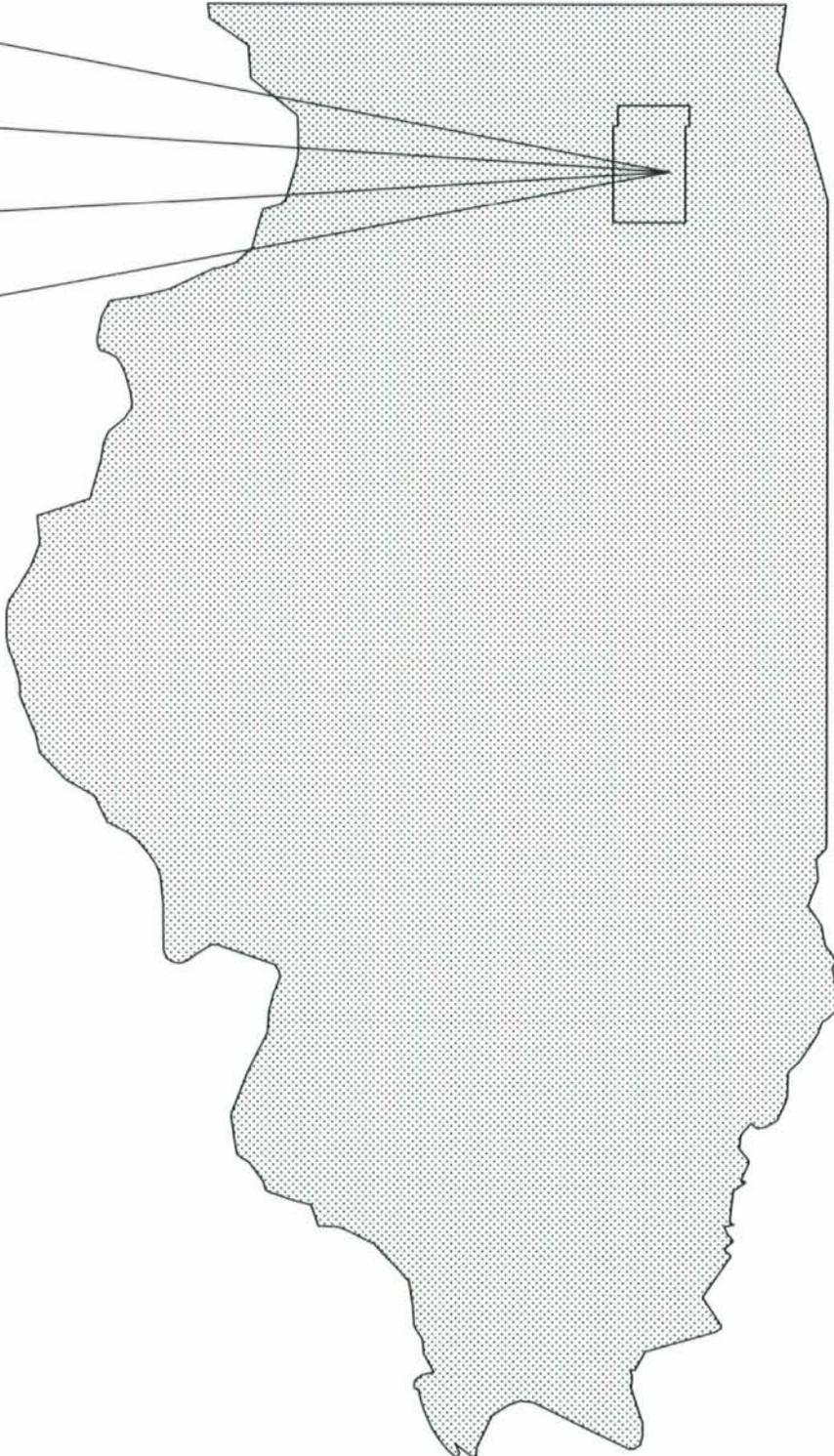
City of St. Charles Budget Plan FY 2014-15



BUDGET SUMMARY



ST. CHARLES
SINCE 1834



Budget Summary

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Officers and Officials

As of April 1, 2014

Mayor
Raymond P. Rogina

City Administrator
Mark W. Koenen

City Council

Dan P. Stellato	Ward 1	William Turner	Ward 3
Ronald Silkaitis	Ward 1	Jo K. Krieger	Ward 4
Arthur Lemke	Ward 2	James E. Martin	Ward 4
Rita Ann Payleitner	Ward 2	Maureen Lewis	Ward 5
Todd Bancroft	Ward 3	Ed Bessner	Ward 5

City Treasurer
Warren J. Drewes

City Clerk
Nancy Garrison

City Attorney
John McGuirk

Department Heads

Christopher A. Minick
Director of Finance

Peter Suhr
Interim Director of Public Works

Rita Tungare
Director of Community & Economic Development

Joseph R. Schelstreet
Fire Chief

Margaret A. Forster
Director of Information Systems

Steven Huffman
Interim Police Chief

Kathy A. Livernois
Director of Human Resources



City of St. Charles

Budget Message and Overview

Fiscal Year 2013-2014 was the year of change. Mayor Raymond Rogina was sworn in as the 18th Mayor for the City of St Charles. The Mayor was joined by three new aldermen. Mark Koenen was appointed to fill the City Administrator position. The Chief of Police and Economic Development Director retired from the City, and the Director of Public Works position was vacated due to Koenen's position change. This change created opportunities for organizational revision and collaboration. Additional changes during FY 13-14 included:

1. Combining of the former Economic Development and Community Development Departments into a single Department of Community and Economic Development. Rita Tungare was appointed director of the newly formed department.
2. Establishment of the Liquor Commission. Liquor Commissioner Rogina recommended four members, who were approved by the City Council, to sit on this commission.
3. Implementation of a new liquor licensing and late night permitting application and approval process. This process requires the Liquor Commission, City Council, Police, Finance and Community & Economic Departments, and City Administration, along with the City Attorney, to review new applications and late night renewal requests.
4. Enlargement of the Police and Fire Commission membership. This membership expansion allows for greater community involvement, while collaborating with Police and Fire leadership.
5. Approval of the 2013 Comprehensive Plan - creating an environment for change in the future.
6. First ever accreditation of the Fire Department, received from the Fire Accreditation International.
7. Approval of the City song - "In St Charles."

Despite the significant level of change present in the organization during the year, the City's excellence in service delivery and financial performance continued unabated through the professionalism and dedication of the City Council and Staff. Examples of this organizational excellence include:

1. The City's Comprehensive Annual Financial Report was recognized with the "Excellence in Financial Reporting" Award by the Government Finance Officers Association. This is the 28th year in a row that St Charles has been so recognized.
2. The Police Department made significant progress in preparing for their re-accreditation from the Commission on Accreditation for Law Enforcement (CALEA).
3. The Public Works Department delivered snow and ice control services during the third worst winter season on record. These services were managed and executed as business as usual. Streets were open for emergency services vehicles and citizen transportation necessary for social and business purposes.



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4. Moody's Investor's Service re-affirmed the City's Aa1 bond rating.
5. The City Citizens Survey was conducted to determine priorities and feedback on local services and programs. The overwhelming results were conclusive that St. Charles is moving in the right direction and is a safe, clean, and well-maintained city.

The budget is another example of status quo. Stable is the best means to describe the financial condition of the City. During FY 13-14 and 14-15, the City's financial operations were and will remain sound; supported by solid operating reserves. Managing expectations with continuous discussion to separate "needs" from "desires" while maintaining "in the black" financial operations is the hallmark of St Charles. This was the basis for preparing the FY 14-15 budget and the multi-year projections. As the fiscal year is processed, the strong history of continuous discussion concerning "spending" will provide for sound financial decision-making and a continuance of a solid financial future.

The adoption of the FY14-15 budget represents a carefully prepared financial plan. The purpose of this budget message is to provide an overview of the plan that has been compiled over the past several months as City departments have prepared for the next four fiscal years.

St. Charles is a community that is admired for the quality of service that we provide. We are also an organization that is respected for our proactive preparation and our resourceful response.

Before introducing the FY14-15 budget, let's review some of the key achievements from FY13-14. These accomplishments mark our progress in connecting with the community and constructing a successful future for our City. Some examples include:

- ❑ Construction continues on the new bio-solids treatment removal facility focusing on the targeted completion of July 1, 2014. This environmental public works project at the Fox River waste water treatment facility will improve the quality of water discharged to the river.
- ❑ The reconstruction and widening of East Main Street in 2013. The project reconstructed, widened, and resurfaced Illinois Route 64 (Main Street/North Avenue) from 7th Avenue near the St. Charles Library to Route 59 in West Chicago. In addition to the roadwork, street lighting, retaining walls, and sidewalks were installed. These improvements provide a safer roadway for residents, while simultaneously enhancing access to businesses along the corridor, providing enhanced opportunities for economic development along the main artery through the City.



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- ❑ The construction of the traffic signal at the intersection of Red Gate Road and St Charles North High School/River Ridge Drive.
- ❑ The exterior maintenance project to weather-proof the Municipal Center building, including the original City Hall building
- ❑ The electric distribution was looped, connecting the north westerly and north easterly section of the city across the Red Gate Bridge and enhancing system reliability.
- ❑ The 4th annual St. Charles Restaurant Week was held in February. The event was a great success with over 30 St. Charles restaurants participating in the City-initiated and organized promotion.
- ❑ The Charlestowne Mall was acquired by the Krausz Companies, Inc. Groundbreaking is planned in 2014 for the rebranded “The Quad St Charles Shopping Center.”
- ❑ Pheasant Run Resort & Spa was acquired by Saint Charles Resort, LLC. Investment to rejuvenate the 250-acre resort is planned.

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

Introduction

The budget for FY14-15 has 3 main themes:

1. Holding the line on taxes.
2. Maintaining programs and services while pursuing continued efficiencies and enhancements.
3. Enhancing the physical infrastructure of the community to meet future needs.

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

- ❑ Complete phase 1 of the Municipal Center Parking Lot and linear park along the east bank of the Fox River and Freedom Trail.
- ❑ Resurface Tyler Road between IL 64 and Kirk Road, pursuant to receipt of a \$500,000 grant.



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- ❑ Initiate construction of a third water tower on the northeast side of the City at the intersection of IL 25 and Red Gate Road.
- ❑ Rebuild an older section of water main along IL 25 generally between Marion Avenue and the Q-Center campus.
- ❑ Construct electrical circuit improvements at Kirk Road and IL 64 and initiate site preparations for the Legacy electrical substation.
- ❑ Engage with the community and prepare the city strategic plan looking ahead to the next five years.

The proposed budget for FY14-15 is balanced. We are pleased to present a budget that continues to sustain an exceptional level of service to the community while simultaneously minimizing the tax burden. The proposed budget also reflects financial investments that are made based on the strategic priorities of the Mayor and City Council.

Major Revenue Sources

The City of St. Charles relies on seven (7) main sources of revenue to fund General Fund operations -- property tax, sales tax (state share and home rule portion), state income tax, hotel tax, electric franchise fees, telecommunication tax and the alcohol tax. These sources of revenue typically make up about 90% of General Fund revenue. For FY14-15, the City estimates property tax revenue will essentially remain in line with FY13-14. The City's equalized assessed value has declined, corresponding to a decrease in the value of real estate in the community. As a result, the City Council has made the decision to maintain the amount of money collected from the community via this source. This marks the sixth consecutive year that the amount of property tax collected has remained the same.

Revenue from state and home rule sales taxes are estimated to increase 2.2% and 2.71% respectively over what is projected to be collected in FY13-14. Hotel tax, electric franchise fees, telecommunication taxes and alcohol tax will also see increases over currently projected amounts.



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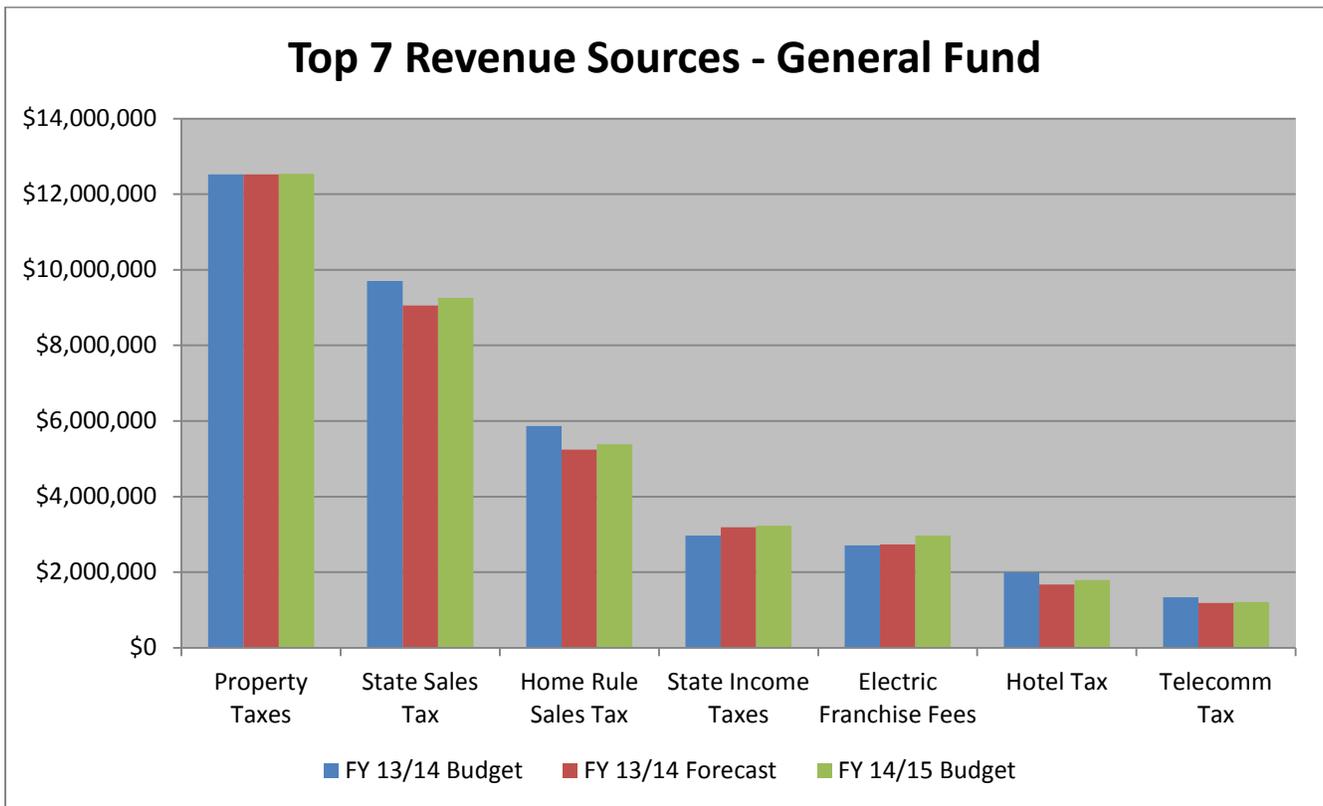
Top 10 Revenue Sources - General Fund				
	<u>13/14 Budget</u>	<u>13/14 Forecast</u>	<u>14/15 Budget</u>	<u>% Change (Budget vs. Forecast)</u>
Property Tax	\$12,523,916	\$12,523,916	\$12,536,731	0.1%
State Sales Tax	\$9,706,435	\$9,059,261	\$9,706,435	2.2%
Home Rule Sales Tax	\$5,868,280	\$5,245,140	\$5,868,280	2.7%
State Income Taxes	\$2,969,293	\$3,188,046	\$3,229,620	1.3%
Electric Franchise Fee	\$2,708,291	\$2,734,196	\$2,966,472	8.5%
Hotel Tax	\$1,994,475	\$1,671,844	\$1,795,056	7.4%
Telecommunication Tax	\$1,340,000	\$1,188,421	\$1,212,591	2.0%
Alcohol Tax	\$1,025,868	\$996,430	\$1,031,770	3.5%
Licenses & Permits	\$479,576	\$488,694	\$525,398	7.5%
Charges for Services	\$480,3116	\$313,718	\$464,486	48.1%

Below is a chart which depicts sales tax collections over the last five completed fiscal years. As illustrated, sales taxes have rebounded from the recession time period low in FY2008/2009. The FY14-15 budget includes a projected modest increase in state and home rule sales tax over the FY13-14 forecasted revenue as the City is expecting sales tax collections to rebound due to an increase in general economic activity and the completion of the East Main Street project.

Sales Tax Collections - State and Home Rule Last 5 Completed Fiscal Years			
Fiscal Year	Collections	\$ Increase/ Decrease	% Increase/ Decrease
2008/2009	\$ 14,312,922		
2009/2010	\$ 13,951,369	\$ (361,553)	-2.5%
2010/2011	\$ 14,380,935	\$ 429,566	3.1%
2011/2012	\$ 15,135,809	\$ 754,874	5.2%
2012/2013	\$ 15,210,034	\$ 74,225	0.5%



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

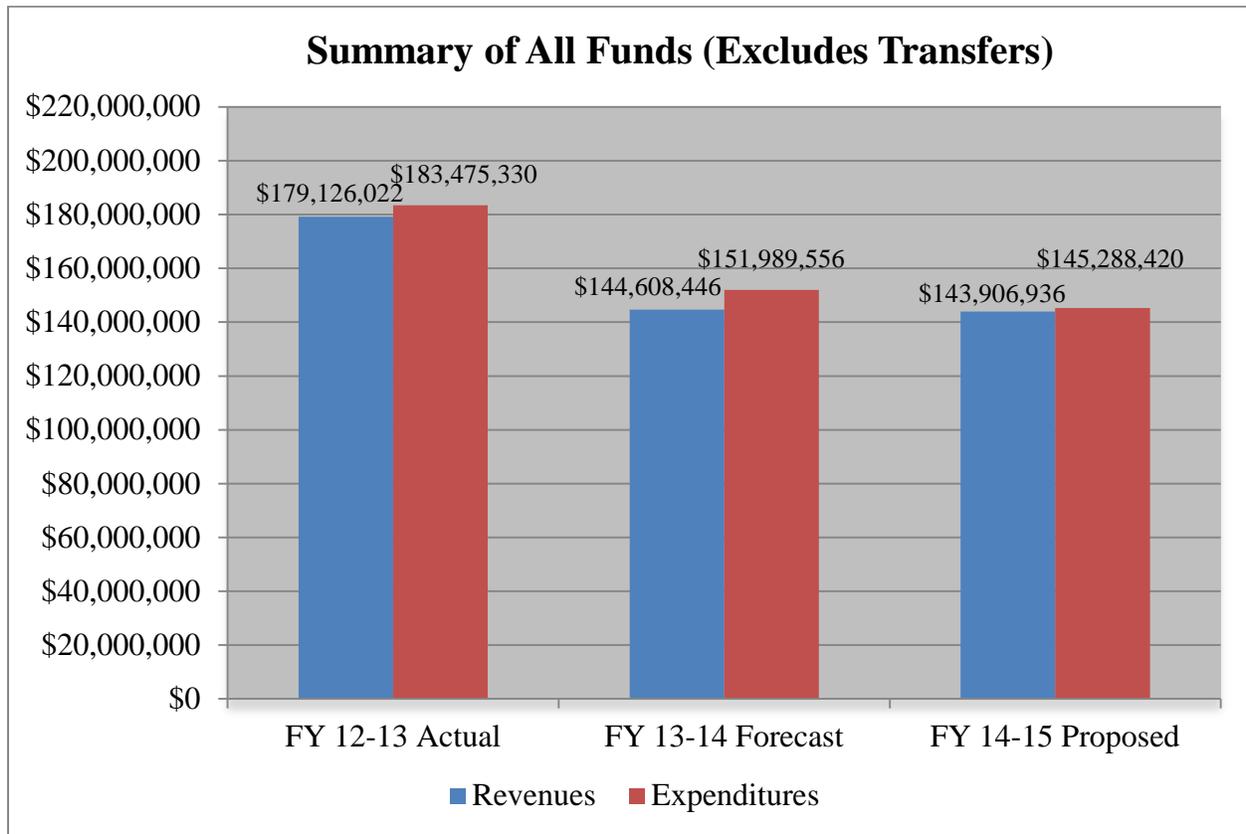
Summary of All Funds

At the time the FY13-14 budget was approved, it was projected that the City would have revenue of \$145.9 million and expenditures of \$149.3 million (including transfers). The City expects to close FY13-14 with \$154.5 million in revenue and \$161.9 million in expenditures (including transfers). The change from original budget to current forecast for expenditures is primarily due to the refunding of outstanding debt that was not anticipated in the original budget, as well as uncompleted capital projects that were budgeted in a previous year and then carried forward to FY13-14.



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For FY14-15, the City is projected to have \$153.5 million in revenue and \$154.9 million in expenditures for all funds, including inter-fund transfers. The largest funds are General, Electric, Water, and Sewer. Combined, these funds represent 77% of the total budget.



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

The City’s largest source of revenue is fees and user charges 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 table on the following page 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)				
	<u>13/14 Budget</u>	<u>13/14 Forecast</u>	<u>14/15 Budget</u>	<u>% Change (Budget vs. Forecast)</u>
Revenues:				
Property Tax	\$ 14,191,377	\$ 14,191,377	\$ 14,270,571	1%
Sales & Use Taxes	17,200,176	16,055,300	16,339,716	2%
Franchise Fees	3,313,291	3,369,187	3,606,972	7%
Hotel Tax	2,058,841	1,727,964	1,847,967	7%
Other Taxes	2,445,868	2,255,844	2,324,861	3%
Charges for Services	67,270,868	69,232,868	71,344,339	3%
Licenses & Permits	479,576	488,694	525,398	8%
Intergovernmental	4,529,760	4,481,437	5,064,959	13%
Pension Contributions	3,231,588	3,259,888	3,650,999	12%
Financing Proceeds	4,701,000	12,343,663	8,635,066	-30%
Other	17,021,191	17,202,224	16,296,088	-5%
Total	\$ 136,443,536	\$144,608,446	\$143,906,936	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 Public Works, and then General Government.

EXPENDITURES - ALL FUNDS (Excludes Transfers)				
	<u>13/14 Budget</u>	<u>13/14 Forecast</u>	<u>14/15 Budget</u>	<u>% Change (Budget vs. Forecast)</u>
Expenditures:				
General Government	\$ 20,122,935	\$ 20,062,078	\$ 20,852,150	4%
Public Health & Safety	25,668,310	25,119,100	26,386,774	5%
Public Works	17,967,672	18,768,932	15,068,709	-20%
Public Utilities	73,624,793	85,602,723	80,207,906	-6%
Community Development	2,507,635	2,436,723	2,772,881	14%
Total	\$ 139,891,345	\$ 151,989,556	\$ 145,288,420	-4%

The 20% decrease in the Public Works category can be attributed to significant capital outlays for the construction of the Red Gate Bridge which was completed during FY13/14.



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Summary of General Fund

The City expects to close FY13-14 with a deficit in the General Fund (the fund that accounts for the vast majority of the City's operations) of approximately \$426,000. This compares to a breakeven budget when the FY13-14 budget was approved. The projected deficit can be mostly attributed to three factors: several major revenue sources, such as sales and use tax, hotel tax and telecommunications tax have fallen short of expectations; a number of projects were not completed last fiscal year and therefore were carried over into FY13-14; the harsh winter of 2014 resulted in significant overtime and additional road salt purchases and snow removal costs.

For FY14-15, it is projected that revenue in the General Fund will be \$40.9 million or approximately 0.9% lower than what was budgeted for FY13-14. Property tax revenues are projected to increase slightly by 0.1% from the amount budgeted in the previous year. This includes property taxes collected under the City levy as well as under the various Special Service Area (SSA) levies. For the 2013 tax levy, the City Council elected to keep the City's operating levy at \$12,055,000, the same amount as the 2012 City operating property tax levy. This marks the sixth consecutive year that the levy has stayed at that amount. However, SSA property tax collections are expected to decrease due to the decline in the City's Equalized Assessed Valuation (EAV).

GENERAL FUND REVENUES (Includes Transfers)			
	<u>13/14 Budget</u>	<u>13/14 Forecast</u>	<u>14/15 Budget</u>
Property Tax	\$ 12,523,916	\$ 12,523,916	\$ 12,536,731
Sales & Use Taxes	16,140,932	14,906,518	15,283,515
Hotel Tax	1,994,475	1,671,844	1,795,056
Other Taxes	2,445,868	2,255,844	2,324,861
Franchise Fees	3,313,291	3,369,187	3,606,972
Licenses & Permits	479,576	488,694	525,398
Intergovernmental	3,210,515	3,493,896	3,492,714
Charges for Services	480,311	313,718	464,486
Financing Proceeds	0	0	0
Other	635,196	851,454	824,363
	\$41,224,080	\$39,875,071	\$40,854,096



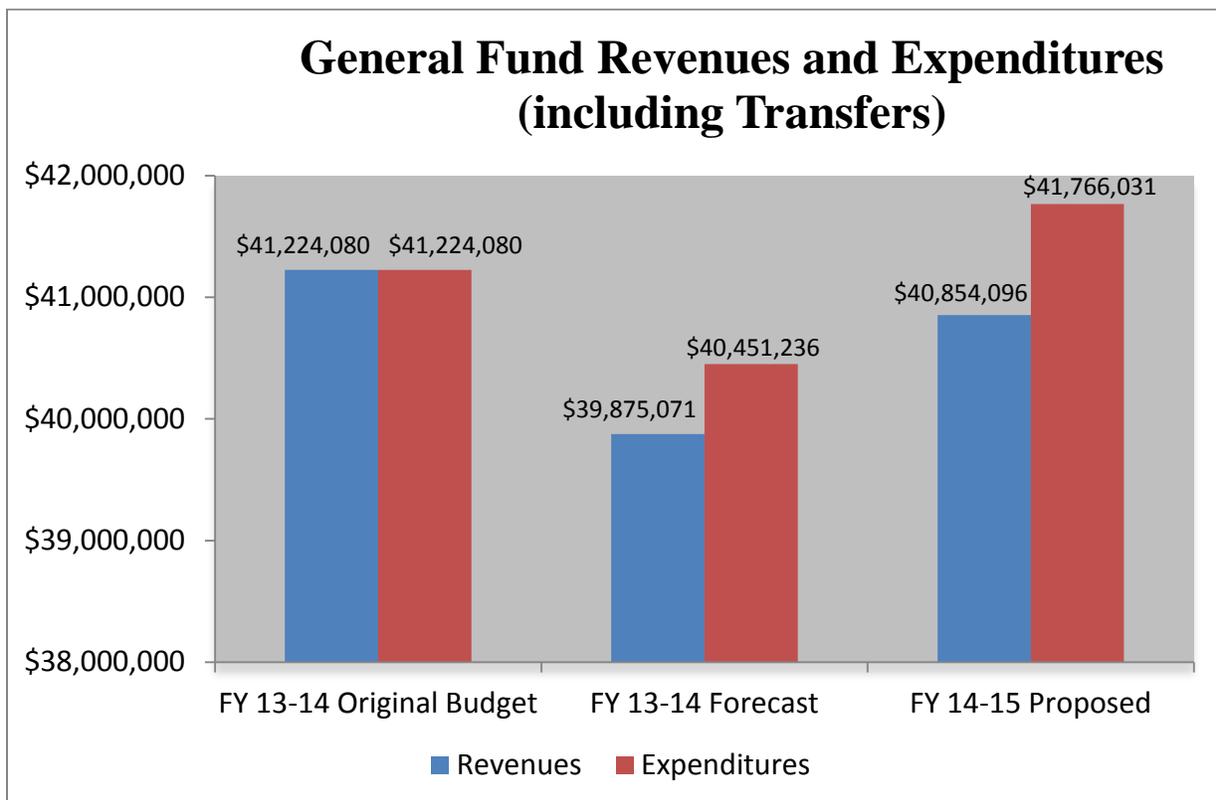
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Franchise Fees, Intergovernmental Revenues, and Licenses & Permits are all expected to see increases, as compared to the FY 13-14 budget.

Expenditures (excluding transfers) in the General Fund for FY14-15 are expected to be \$35.4 million. This represents a 10.32% decrease from the original FY13-14 budget. The largest share of expenditures in this fund is for personnel and benefits for employees.

Personal Services represents nearly two-thirds of the total expenditures of the General Fund. Employee wages make up 53% of operating expenses. Other significant personal service costs include pensions (\$3.8 million), health insurance (\$2.2 million), and workers compensation (\$1.0 million).

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





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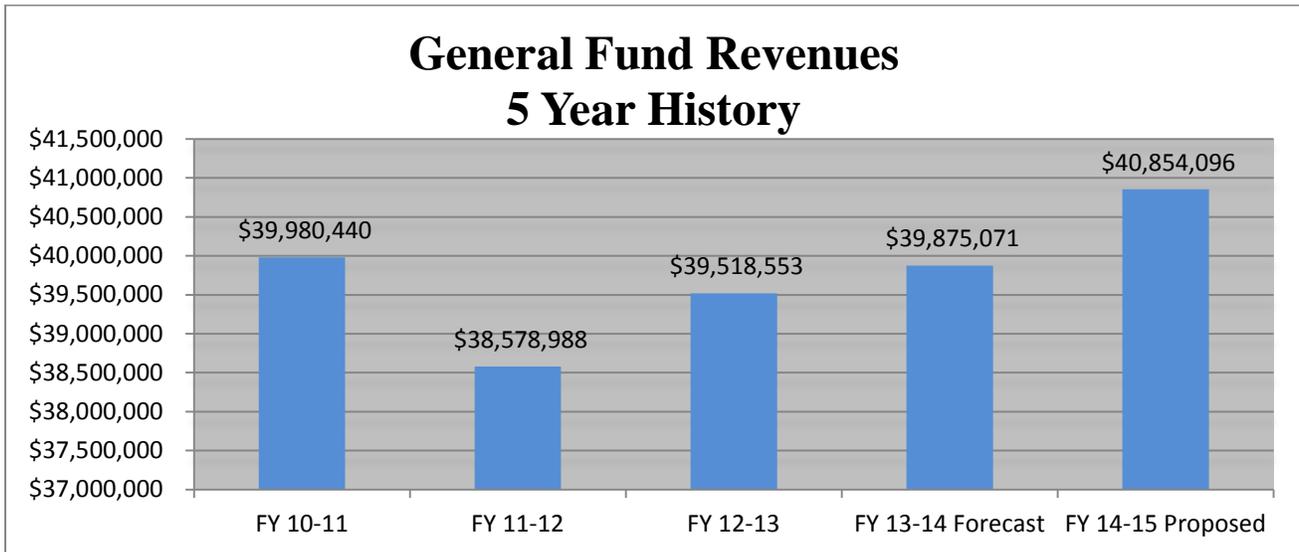
GENERAL FUND EXPENDITURES BY ACCOUNT TYPE (Includes Transfers)			
	<u>13/14 Budget</u>	<u>13/14 Forecast</u>	<u>14/15 Budget</u>
Personal Services	\$ 26,748,716	\$ 26,358,300	\$ 27,195,635
Other Operating	12,590,097	12,067,680	12,833,561
Allocations	(4,813,836)	(4,697,992)	(4,742,856)
Capital	181,806	193,936	153,528
Debt Retirement	4,585	4,585	4,585
Transfers - Debt Service	4,118,040	4,118,040	4,250,797
Transfers - Other	2,394,672	2,406,687	2,077,081
Total	\$ 41,224,080	\$ 40,451,236	\$ 41,772,331

General Fund expenditures will increase in FY14-15 due to increases in Personal Services (e.g. wages, benefits, training, and other employee-related expenses) and operating expenses (e.g. materials, commodities, and professional services).

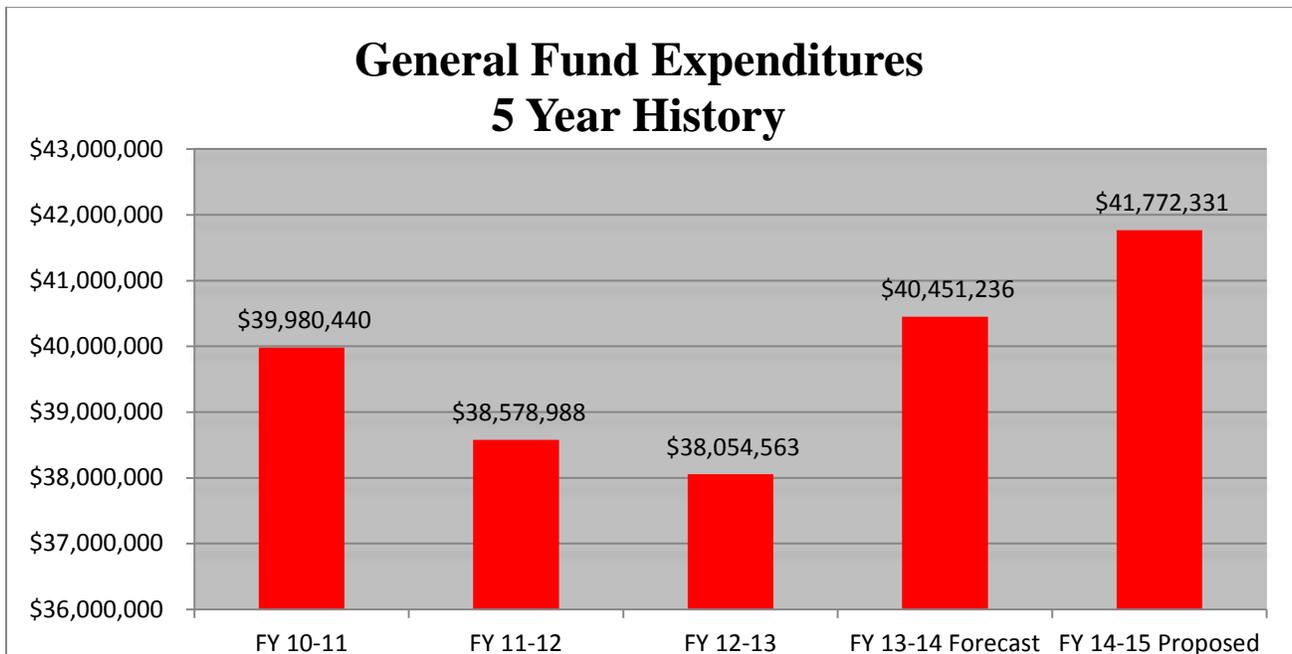
GENERAL FUND EXPENDITURES BY FUNCTION (Includes Transfers)			
Expenditures:	<u>13/14 Budget</u>	<u>13/14 Forecast</u>	<u>14/15 Budget</u>
General Government	\$ 3,117,600	\$ 3,343,170	\$ 3,251,741
Public Health & Safety	21,076,372	20,605,369	21,694,327
Public Works	8,031,761	7,624,778	7,730,508
Community Development	2,485,635	2,353,192	2,767,877
Transfers	6,512,712	6,524,727	6,327,878
Total	\$ 41,224,080	\$ 40,451,236	\$ 41,772,331



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General Fund revenue and expenditures are expected to increase in FY 14-15 as compared with the FY 13-14 forecast.





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Highlights of Departmental Activities

From an operational standpoint, the City of St. Charles will undertake several key initiatives. Provided below are summaries of key departmental initiatives for FY14-15:

CITY ADMINISTRATOR'S OFFICE

The most important initiative for FY 14-15 will be the City Administrator facilitating an update for the City's 5-year strategic plan. The current plan is expected to close in 2014 and a refresh or update will be necessary in 2014-15.

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

The City Administrator's Office will oversee the progress to re-energize the economic development effort. This will include working with external interest groups to focus on the commitment for retaining and expanding business growth in the City.

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

The Community & Economic Development Department was restructured in Fiscal Year 2013-2014 to incorporate the Economic Development Division in with the Building & Code Enforcement, Development Engineering, and Planning Divisions. The expanded department was formed to both streamline the City's development functions and to create a "one-stop shopping" approach for the City's development interests. During the coming year, the Department will be working to integrate the City's Economic Development practices with the other divisions in the Department to find opportunities to improve efficiency and service levels to the community.

During Fiscal Year 14-15, the department will be focused on facilitating all aspects of two key development projects in the community- the relaunch of the Charlestowne Mall as "The Quad St. Charles" and the continuation of the First Street Redevelopment Project. For the Quad project, the process began last year with the City approving a PUD (Planned Unit Development) amendment creating new zoning and subdivision standards for the project and approving a conceptual site plan. In the coming year, the department will continue to work diligently to bring the project through the City's development process, including review of potential incentives, tenant attraction, plan review and



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approval before Plan Commission and City Council, site development work, building demolition, and renovation of the mall building. For the First Street Project, the department stands ready to take direction from the City Council on advancing the remaining phases of the significant downtown redevelopment project that began in 2007.

The City adopted a new Comprehensive Plan in September 2013. The plan sets out a 20 year vision for the growth and development of the community. Adoption of the plan concluded a two and half year planning process with significant public participation and review. The Planning Division began implementing certain aspects of the plan as opportunities have arisen, and during the next fiscal year will revisit the goals and objectives of the plan to identify what has been accomplished and what initiatives should be prioritized moving forward.

The Economic Development Division coordinated a successful Restaurant Week promotion in February 2014, with the participation of a record 34 restaurants. In the coming year, the Division will work to establish new practices for promoting relationships with the business community. The Division will also be developing a content strategy with the goal of aligning marketing materials with the Department's business plan. The content strategy will also guide where best to allocate funding for the City's advertising and marketing efforts.

The Development Engineering Division continues to monitor progress and maintenance in a number of residential subdivisions in different stages of the construction and build out, including initial site preparation for the Lexington Club project.

Last year, the Building and Code Enforcement Division updated the Property Maintenance Code to streamline the City's Administrative Adjudication Process. In the coming year, the Division will be working toward an update of the City's building and fire codes to the 2015 international codes.

FINANCE DEPARTMENT

Now that the first and second phases of the City's Enterprise Resource Planning (ERP) Project have been fully completed, the Finance Department has shifted focus to reviewing current business practices and procedures to investigate how further efficiencies can be gained by utilizing our Lawson/Infor software's full capabilities. In addition, the Finance Department has worked with both the Human Resources (HR) and Information Systems (IS) departments to reorganize the payroll process to make it more efficient and to improve internal controls. As a result, some functions of the payroll process have been transferred to Human Resources, while others have shifted from Information Systems to Finance.



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As we move ahead to FY 14-15, the Finance Department will be collaborating with the IS Department on several projects, including the long awaited Document Management project and the Lawson/Infor “Visioning” project. The Document Management project, in particular, will have a significant impact on the Accounts Payable function due to the scanning of all invoices and related documentation as well as incorporating automated approval workflows.

The Finance Department took over the accounting functions for the City’s Police Pension Fund as of May 1, 2013. This involves the processing of monthly pension payments, investment tracking, as well as monthly and year-end financial reporting. Previously, the Police Pension Fund had utilized the services of an outside accounting firm to accomplish this function. This change is being undertaken with the cooperation of the Police Pension Fund in an effort to minimize administrative costs. While the City will be performing the accounting function, ultimate decision making authority for investments, benefits, and administration of the Fund will continue to be vested in the Police Pension Fund Board of Trustees.

During FY 13-14, the Finance Department pilot-tested a new program developed by the Illinois Comptroller’s Office to facilitate the State’s Local Debt Recovery Program. The program, referred to as IDROP (Illinois Debt Recovery Offset Portal), is used by cities, universities and other local governments to submit debt owed to them. If the debtors are found to be a match in the State’s disbursement system, the debt will reside in the State’s system until an offset can be made from a State disbursement. To date, the City has collected over \$50,000 in past due debt using this program.

During FY 13-14, Utility Billing took over all functions of the Utility Billing process that were previously handled by the Information Systems department. These extra responsibilities have increased the daily work load by an average of one to two hours a day. However, as we no longer rely on Information Systems to complete their tasks, the entire billing process has become more efficient. The department has performed a smooth transition of these duties.

In August 2013, Utility Billing, along with Accounting, took on a larger role regarding processing Parking Tickets. All payments now go through Utility Billing only. Accounting, Utility Billing and the Police Department worked together to set up procedures and a new cash receipt to note the status of the tickets.



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Looking forward, Utility Billing will be working with Information Systems on the Document Management project. Utility Billing's goals for the project include the ability to scan documents such as customer applications as well as work orders and job orders. The purpose of this project is to enable scanning of documents and linking those documents to the appropriate utility account for future reference as necessary. Additionally, Utility Billing will scan appropriate documents that are currently in paper files. Completion of this project would reduce the need for file space, provide administrative efficiencies, and provide Utility Billing staff with needed information and documentation at their work station.

Also for the next fiscal year, we will be investigating the possibility of using a Lockbox service for utility bill payments to streamline the work effort and create administrative efficiencies.

The Purchasing Division has successfully implemented on-line viewing of open bids. During the early fall of 2013, Purchasing met with Engineering, Information Systems and Public Works staff to coordinate efforts for posting bids on-line. As a result of this meeting, the City web page now has bids separated by departments. This has been very helpful to prospective bidders as well as saving time and money in reducing hard copies. It also allows the general public to review and download bids.

Purchasing/Inventory Control also has continued the practice of selling obsolete city property via on-line auctions. Last fiscal year's net sales brought \$78,408 back to the City. Overall, on-line auctions have netted over \$414,742 in revenue for the City since first using the on-line system in January 2010.

Inventory continues to explore new methods to automate and streamline operations. A test tablet computer will be set up with help from the IS department with hopes of going paperless mid-summer 2014. Eliminating inventory pick tickets and the resulting printing costs is anticipated to generate further operating efficiencies and cost savings for the division.

FIRE DEPARTMENT

In FY 14/15, the Fire Department will continue to concentrate on maximizing internal efficiencies, exceeding accreditation standards, enhancing agency cooperation, and continued advancement of essential technologies. The new fiscal year will bring the review of Department administrative and operational performance with the completion of the first Annual Compliance Report required to maintain our accreditation status. The Annual Compliance Report documents the Fire Department's organizational performance each year during the five year accreditation period.



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In addition to the St. Charles Fire Department Accreditation, the Emergency Management Agency (EMA) is in the final stages of completing the process for accreditation by the Illinois Emergency Management Agency (IEMA). This has been a multipart process over the past two years that will lead to receiving accredited status in August 2014. During FY 14/15, Tri-City Ambulance (TCA) Service will also be working throughout the year on the process toward achieving accredited status from the Commission on Accreditation of Ambulance Services (CAAS).

The Fire Department is working with our neighboring communities through automatic-aid agreements, the Mutual Aid Box Alarm System (MABAS), and the Fox Valley Joint Operations Group to integrate fire and emergency operations on an area or region wide basis to maximize both the response of resources and the effectiveness of operations at emergency incidents. Additionally, the Department is reviewing fire department operations, apparatus, and services in preparation for the next review by the Insurance Services Office (ISO). The Fire Department presently holds an exemplary ISO Class 2 rating, placing it in the top 2.5% of all fire departments in the State of Illinois.

FY 14/15 will also see the completion of a multi-year project to upgrade the Fire Department mobile data computers (MDC) with new Panasonic Toughbook computers. The new system will allow for improved, faster, and more reliable communication of information, availability, and vehicle location than ever before. In-station communications will also be enhanced with the completion of the status and information project. This allows personnel at any station to check the status or location of units, incidents, and personnel.

HUMAN RESOURCES DEPARTMENT

In last year's budget, over 64% of the General Fund expenditures were allocated to personal services (employee wages, benefits, training and other employee related expenses). The City's HR department takes active responsibility for our key role in keeping personnel related costs as low as possible while maintaining high quality employees and benefits.

Implementing and educating our employees about the stipulations of the Affordable Care Act, (or ACA) has been a focus for our HR department this year. We estimate that the required health care changes caused about a 2% increase for our health care plan costs. Due to our proactive approach of evaluating these changes well in advance, we were able to keep the premium increase for employees at only 3%, while the national average increase is 10%. To balance the increased cost to the city, we increased out-of-pocket maximums and moved more costly specialty medications to their own pricing tier. We are committed to staying ahead of the game in the constantly changing health care arena, so that employees



City of St. Charles

Budget Message and Overview

will continue to receive an ACA approved health care plan that is competitive and affordable for the City.

Employee engagement has become an important facet for all employers, as a recent Gallup poll reported that 70% of America's workers were either not engaged or "checked out." Employee engagement affects employee health and wellbeing more than wellness programs or vacation, says the poll. With recruiting costs running approximately 1.5 times annual salary, the ability to engage and retain valuable employees has a significant impact on an organization's bottom line. While job turnover at the city is low, the HR department addressed employee engagement at a significant level by participating in a free pilot study conducted by Wonderlic Inc. The responses from 188 employees provided insight about the city's management style, company culture, and employee engagement and highlighted important areas of strength and areas to improve for future employee engagement.

Employee training and education has also been a priority this year, and for several topics we've used many excellent internal resources as a cost saving measure. Our Emergency Awareness training included Active Shooter and Bomb Threat training by the Police Department, and Emergency Action plan updates by our Fire Department. Additionally, HR provided supervisors with necessary education in new areas like concealed carry gun laws and medical marijuana. Since the majority of city positions are customer service oriented, all city employees completed "Service Essentials" training this year, which reaffirmed our commitment to provide the best services possible to our residents.

Moving forward, HR continues to be acutely aware of our responsibility to do all we can to minimize personnel costs while maximizing employee potential. We are proud of our city employees and believe that our efforts, coupled with the ingenuity and commitment of our employees, makes St. Charles a great place to live and work.

INFORMATION SYSTEMS DEPARTMENT

Information Systems continued to adapt City websites for mobile (smartphone and tablet) users in FY2014 and saw the first City news event with more mobile than desktop viewers, i.e. the Charlestowne mall purchase. New tools helped the City better measure its success in online communications and helped increase viewership for several key communication events including Restaurant Week and a campaign to promote St. Charles Connect. In FY2015 we will revamp key economic development and business-related areas of the website, and adopt a design for the City's main website that adapts content to the viewer's screen size.



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Work on a new Document Management system began in FY2014 and will move forward with implementation in FY2015. The goal is to replace the existing system with something more robust and easier to use. The new system will include the capability of integrating with several of the City's core applications to provide employees and citizens with seamless access to documents from these applications.

All workstations in the City were upgraded to Windows7 in anticipation of the retirement of the WindowsXP operating system in April 2014. In conjunction with the software upgrade, a significant number of workstations and laptops were also upgraded or replaced. Work started on a High Availability/Disaster Recovery project for the City's primary servers. When the project is completed in FY2015, City workers will have near real-time access to backup servers should the primary servers fail.

The technical team will also be working with the Police Department this year to implement dual factor authentication, an anticipated security requirement from the FBI. The department's surveillance and finger printing systems will be updated as well with projected completion early in the fiscal year. Along with representatives of the Police and Fire Departments, Information Systems staff will serve on the selection and implementation teams for the Tri-Com Computer Aided Dispatch system upgrade.

Geographic Information System (GIS) continues to expand its use of less expensive tablet devices for the field collection and editing of data, making it easier for employees to locate and work with utility structures and streamlining the process for maintaining GIS data. Atlases for the wastewater and storm water collection utilities will be redesigned this year to improve the quality of printed maps. Collection of utility data for the Route 64 project was completed in FY2014 and we are preparing for additional new construction projects in FY2015.

POLICE DEPARTMENT

The Police Department continues to address and has budgeted for several technology needs, mandates and opportunities. This includes the replacement of our outdated (and mechanically unsupported) Livescan machine (used for processing fingerprints and obtaining positive identification of arrested persons); Automated License Plate Readers; Advanced Authentication for all Police Department computer terminals (mandated by the Department of Justice); New World Records Management System upgrades; Power DMS (software to manage directives and ensure policy compliance in accordance with the Commission on Accreditation for Law Enforcement Agencies).



City of St. Charles

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The Police Department has budgeted to contract with the Association for Individual Development (AID) to assist with victim services. This company provides all manner of services to residents through the Police Department, including mental health, crisis intervention, counseling, advocacy, intervention, etc.

This is a resource available to the officers to help residents beyond the scope of what the Police Department can provide.

We have also budgeted to construct a building at our Public Safety Training Facility (firing range). This building will be used as a storage facility for range equipment. The funds budgeted for this project are offset by money secured from a State grant.

The Police Department facility is aging and thus requires a number of repairs and updates that may not be financially reasonable. We have budgeted for a building study to help determine the best course of action, either through major repairs or significant building modifications and/or replacement. The police facility is the oldest City owned building that has not gone through major renovations or replacement.

Lastly, we have budgeted for the addition of one police officer, though not in the traditional sense. In the next 1-5 years, 33% of our sworn police officers will be pension eligible. Due to police academy and field training requirements, it takes approximately nine months from the date of hire for a police officer to be certified for solo patrol duties. We are adding an additional officer to stay ahead of the anticipated attrition rate while taking into account the time it takes to add a fully trained officer to our workforce.

PUBLIC WORKS DEPARTMENT

In FY14-15, the Public Works Department continued its focus on best value service delivery and infrastructure enhancement.

The Public Services Division continued a sustainable approach for addressing the Emerald Ash Borer (EAB) infestation in ash trees. The City removed over 3,000 ash trees and focused on replanting the trees that have been removed within the framework of a policy that is budget-sensitive and respectful of the City's urban forest. In addition, the Public Services Division maintained an effective snow and ice program through the third toughest winter in history, combating temperatures well below the normal lows and removing more than 74" of snow from roadways.



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The Environmental Services Wastewater Division continued demolition and construction on the new main waste water treatment plant bio-solids building. This is a complex multi-year project that will be completed and put into service in FY14-15. This project is being funded by users, with assistance from an Illinois Environmental Protection Agency (IEPA) low-interest loan. In addition to the main plant replacement, the Environmental Services Division completed the rehabilitation of the Royal Fox Lift Station II located on Dunham Road and initiated the rehabilitation, and replacement of Royal Fox Lift Station I further north on Dunham Road at Royal Fox Drive.

The Water Division initiated the design engineering for the new Red Gate Water Tower to be located at Red Gate Road and Route 25, and constructed a river crossing water main along the Red Gate Road Bridge. This completed a critical loop in the northeast section of the City and will tie into the new water tower. The group also initiated the conversion of using chlorine gas to liquid hypochlorite at several well houses and installed Supervisory Control and Data Acquisition (SCADA) improvements at the Oak St. Well. These improvements will assist with controlling operations and provide a second SCADA location in the system.

The Electric Services Division focused most of their resources on improving electric reliability with continued cable replacement, equipment replacement, and overhead rebuilding programs. System reliability performance was strong; however, the system was not significantly challenged by large storms or intense heat. Completion of the new station at Red Gate Bridge was a major improvement for customers on the north end of the City. The replacement of the first of two failed transformers at the Dunham Road substation was completed. The Meter & Communication Division continued an aggressive program to improve meter accuracy by replacing old meters. More accurate meters for some of the largest water users have resulted in considerable reductions in monthly unbilled water.

The Engineering Division continued to monitor construction progress along Illinois Route 64/East Main Street from 7th Avenue to the eastern City limits. The Illinois Department of Transportation (IDOT) roadway improvement project included upgrading the City water main system. Work in 2013 focused on the north side of East Main Street. The roadway improvement project also include roadway widening in specified locations, installation of new center turn lane, grinding and resurfacing of the roadway, restriping, new curb and sidewalks, replacement of utility infrastructure, new street lights, and traffic signal improvements. The project was substantially completed and the entire East Main Street corridor was re-opened to the motoring public in November, 2013.

The main contract for the Red Gate Bridge construction began in late spring of 2012 and focused primarily on the roadway, bridge installation, water main installation, and electrical upgrades. Work on



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the bridge and roadway was substantially completed in December 2012. The completion of the pedestrian boardwalk and final restoration was completed and the entire pedestrian system opened to the public in June, 2013.

In conjunction with the completion of the Red Gate Bridge project, the Engineering Division led the installation of a new traffic signal and extended right turn lane at the intersection of Red Gate Road and St. Charles North High School. This project will be implemented as part of a collaborative effort between the City and School District 303 and the project focused on improving the safety of vehicular and pedestrian traffic at this intersection. Work was completed on the project in August, 2013 prior to the commencement of the new school year.

The Engineering Division also completed the first phase of creek rehabilitation work to improve storm water conveyance along the 7th Avenue Creek. This project included the construction of a new stabilized open ditch, installation of a new enlarged box culvert under Tyler Road, and improved outfall west of Tyler Road. These improvements will help to better manage and control the storm water conveyance east of Tyler Road and should eliminate the overtopping of the roadway during large rainfall events.

FY14-15 will be marked by continued Public Works emphasis on projects necessary to improve the efficiency and operability of the City infrastructure. These important projects will serve the community for many years into the future.

The Environmental Services Wastewater Division anticipates the issuance of a new EPA Discharge Permit for the Eastside Wastewater Treatment Plant. A condition of this permit will require a Phosphorus Removal and Feasibility Report. Along with this report will be a Wastewater Facility Plan. The Feasibility Report and the Facility Plan will be tools for both future budgeting and ensuring regulatory compliance. The Wastewater Division is also initiating two other programs – a sanitary sewer flow monitoring program and Supervisory Control and Data Acquisition (SCADA) improvements.

The Water Division will be initiating construction of the new Red Gate Water Tower. The tower was recommended in the current 10-year master plan and is also recommended by the Illinois Environmental Protection Agency (IEPA). The tower, located adjacent to the intersection of IL 25 and Red Gate Road - will provide additional storage for the system, assist with meeting peak water demand capacity and allow for maintenance of the water system.



City of St. Charles Budget Message and Overview

In addition, the Water Division and Public Works Engineering Division will be working cooperatively on the North 5th Avenue Water Main Replacement Project. This project involves the replacement of approximately 5,400 feet of water main on 5th Avenue (Rt.25). This section of water main has a history of breaks due to water main age and corrosive soil conditions that exist in this area. The project will improve reliability to customers and provide redundant service by creating a loop in the area. This work is expected to begin in July 2014 and will be completed by October, 2014.

The Engineering Division will begin construction activities to rehabilitate the existing parking lot located between the Municipal Center and the Police Department. Work is expected to commence in July, 2014 and will include the expansion of the green space along the river, the relocation of City monuments within the construction zone, new storm and water improvements, improved lighting, replacement of the parking lot, and enhanced vegetation. Work activities are expected to be completed prior to the commencement of the Scarecrow Fest.

As part of the City's commitment to maintaining public roadway infrastructure, the City applied for and received thru the Kane County Council of Mayors a Federal Surface Transportation (STP) grant for the amount of \$500,000 to assist with the costs of resurfacing Tyler Road from East Main Street to Kirk Road. This work is expected to commence in June, 2014 and be completed in October, 2014.

For the FY14/15 budget, the Electric Services Division again focused on improving electric reliability. The utility has planned three areas for overhead to underground conversions and three areas where overhead wires will be upgraded to the highly resilient "spacer cable". The Electric Engineering staff will initiate planning for the Legacy Substation project, coupled with deferral of planned upgrades to the City Hall Substation and the Dunham Road Substation. The new station will add much needed capacity in the south east quadrant of the City. The first phase development of the station is planned to include mass grading, placement of underground conduit, and construction of the perimeter fence. The utility will also complete the second of two substation transformer replacements. The new transformer for City Hall Substation was the result of preventative maintenance testing that identified trouble with old unit.

As you can see from all of these projects, there is a great deal planned for FY14-15 to improve the quality of our community and our organization.



City of St. Charles

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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 65% of the City’s General Fund and 68% of total operating expenses.

The number of full-time equivalent positions (FTEs) budgeted for FY14-15 stands at 261.6 (excluding elected officials, crossing guards, meter readers, and EMA personnel). This represents an increase of approximately 2.1 FTEs from the FY13/14 budget. The full-time equivalents are determined by calculating the total number of projected hours budgeted within each department and dividing that by 2,080 hours (40 hours/week multiplied by 52 weeks/year).

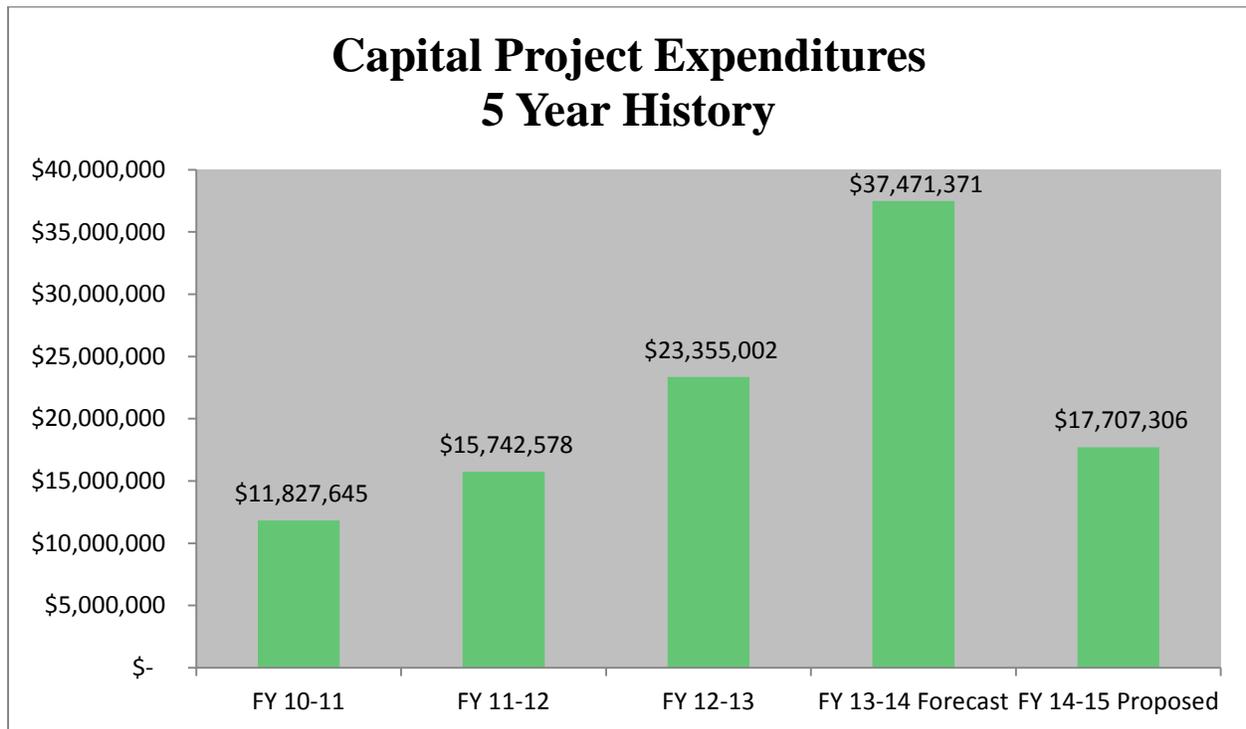
Full Time Equivalent (FTE) Employees by Department			
Department	Budgeted FY 13/14	Proposed FY 14/15	Net Change
City Administration	4.0	4.0	0.0
Finance	18.5	18.5	0.0
Community & Economic Development	14.5	14.5	0.0
Public Works	91.5	92.2	0.7
Human Resources	5.0	5.4	0.4
Police	67.0	67.5	0.5
Fire	48.0	48.0	0.0
Information Systems	11.0	11.5	0.5
Total FTE	259.5	261.6	2.1



City of St. Charles Budget Message and Overview

Capital Projects

The City will undertake \$17.7 million in capital projects in FY14-15. Of this amount, \$11.4 million is budgeted for projects within the City’s three major enterprise funds – Electric, Water, and Wastewater.



Capital project expenditures are expected to decrease by approximately 53.0% in FY14-15 as compared to the FY 13-14 forecast.

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:

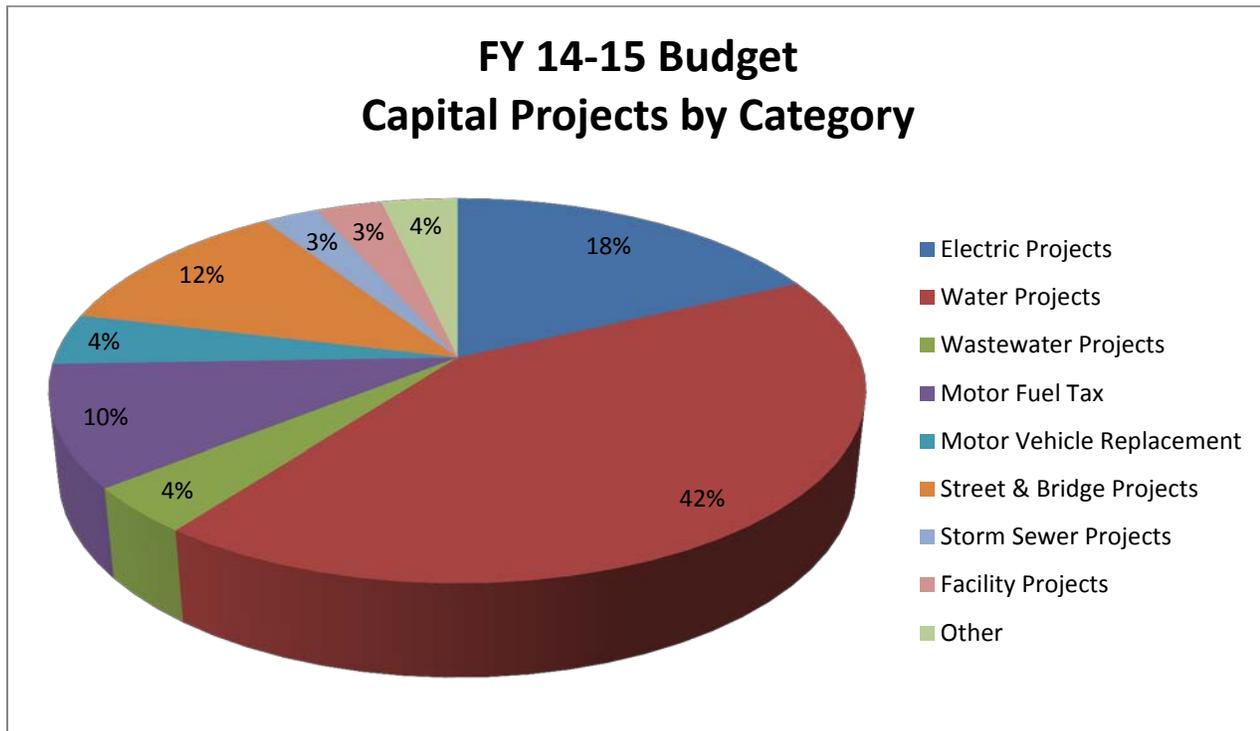
- Ohio Avenue from 3rd Avenue to 6th Avenue
- McKinley Street from S. 4th Street to S. 6th Street.
- Cambridge Drive from Cumberland Parkway to S. Tyler Road



City of St. Charles Budget Message and Overview

- Jeanette Avenue from Cambridge Drive to S. Tyler Road
- Foxfield Drive from Kirk Road to Fox Chase Drive
- Ash Street from Roosevelt Street to Horne Street
- Lakeside Drive from Route 64 to South End

The City's Enterprise Funds (Electric, Water, and Wastewater) will also see continued investment in capital infrastructure into FY14-15. These include the completion of the Waste Water Bio-solids Facility, construction of a new Water Tower, replacement of a portion of the N. 5th Ave waterline, and land preparation for the development of Sub 9 for Electric.



The other category includes projects of less than \$300,000 each in the areas of communications, central support services, police, fire, fleet, and streets.



City of St. Charles **Budget Message and Overview**

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

- Split 12kv circuits at Sub 3 - \$800,000
- N. 5th Ave Waterline - \$1,962,000
- Elevated Water Tower #3 - \$3,970,000
- Annual Street Resurfacing Program - \$1,000,000
- City Hall Parking Lot Improvements - \$763,000
- Tyler Rd – IL64 to Kirk - \$870,066

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

Debt Summary

In FY14-15, it is anticipated the City will issue approximately \$8.6 million in new debt. The bonds will include:

- \$763,000 (less \$65,000 Grant) for City Hall Parking Lot Improvement
- \$870,066 (less \$500,000 Grant) for Tyler Rd – IL64 to Kirk
- \$800,000 for Split 12kv Circuits at Sub 3
- \$1,962,000 for N. 5th Ave Waterline
- \$3,970,000 for Elevated Water Tower #3

FY 14-15 Debt Summary				
Fund	Current	New Issues	Retirements	Outstanding @ 4/30/15
General	\$ 50,422,942	\$ 1,518,066	\$ 3,922,635	\$ 48,018,373
TIF	\$ 31,950,000		\$ 1,095,000	\$ 30,855,000
Electric	\$ 7,142,176	\$ 1,120,000	\$ 697,367	\$ 7,564,809
Water	\$ 9,504,821	\$ 5,997,000	\$ 564,980	\$ 14,936,841
Wastewater	\$ 20,634,214		\$ 1,181,533	\$ 19,452,681
TOTAL	\$ 119,654,153	\$ 8,635,066	\$ 7,461,514	\$ 120,827,704



City of St. Charles

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Enterprise Funds Summary

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

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

During the performance of the Electric Rate Study, it was determined that the City will no longer need to charge different rates for summer and non-summer electric consumption. This is possible because of the production-based cost of wholesale power under the City's current power purchase contract. Therefore, in 2011-2012, the City began a long term process of narrowing the gap between the summer and non-summer electric rates. This process is continuing for the 2014-2015 budget year.

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

Because of these two primary factors, the following changes to the electric rate structure are proposed for FY 14-15:

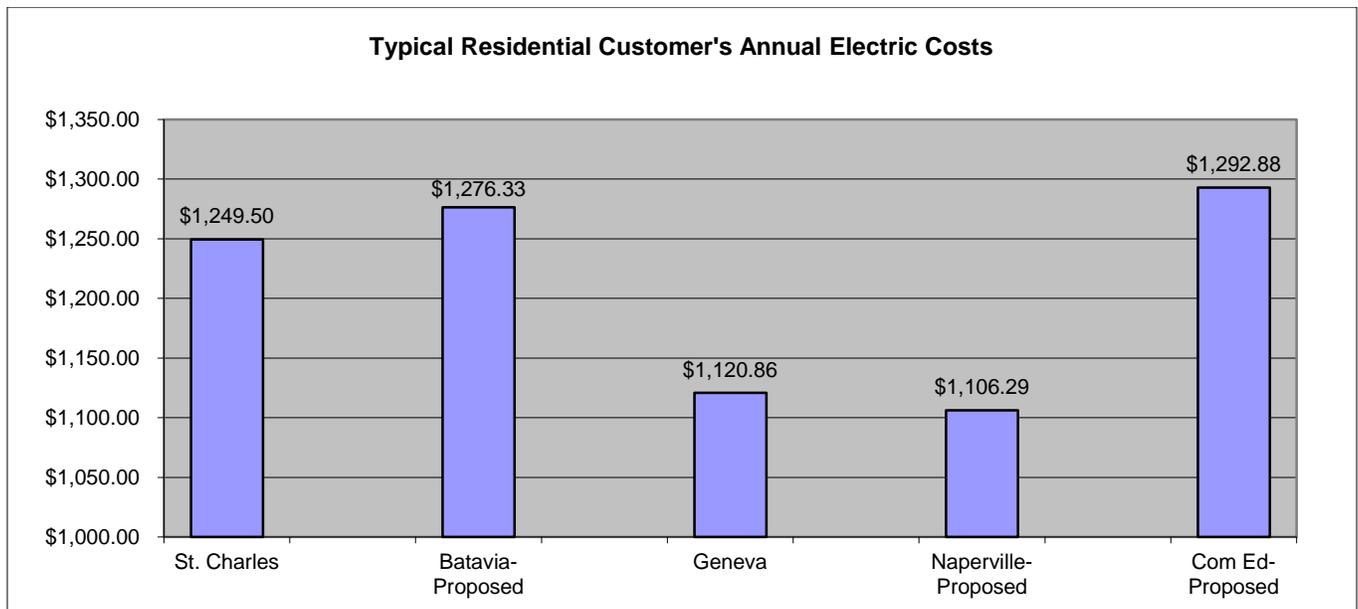
- The monthly service charge will be increased from \$13.00 to \$15.00.
- Non-summer energy consumption charges will be changed from 9.85 cents per kwh of consumption to 10.50 cents per kwh.
- An increase in the residential rate for kwh consumed from \$0.109 to \$0.1110 per kwh during the summer months for the first 1,200 kwh. Usage over 1,200 kwh will be billed at \$0.1220.



City of St. Charles Budget Message and Overview

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 \$5.49 per month.



Rates will also be adjusted in the Water and Sewer utilities during FY14-15. The City had historically followed a practice of utilizing non-rate revenues to subsidize the operations of these utilities. Therefore, the rate structure will need to be adjusted so that the rate structure provides adequate funding to provide water and sewer service to the City’s utility customers.

For the water utility, changes to the rates for consumption and monthly service will occur on May 1. It is anticipated that these changes will result in an average monthly increase of \$2.94 for a typical residential customer.

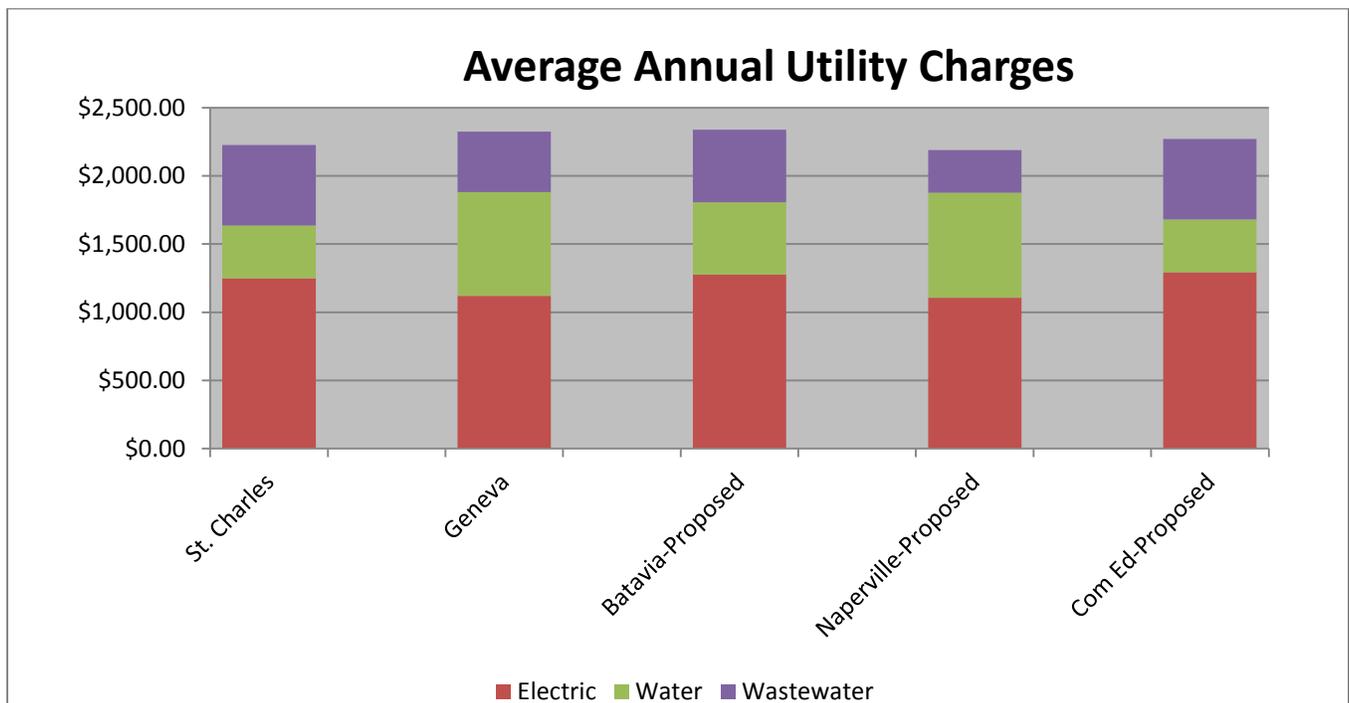


City of St. Charles Budget Message and Overview

The Sewer Fund will see an adjustment of the monthly sewer treatment volume charge and an increase to the monthly service charge on May 1. It is anticipated that these changes will result in an average monthly increase of approximately \$3.99 to the average residential customer's sewer bill.

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

As shown on the chart below, even with these changes to the utility rate structure, the City's proposed utility rates for FY14-15 will result in lower annual utility charges than the utility charges at most other area communities.





City of St. Charles Budget Message and Overview

Conclusion

The City's FY14-15 budget allocates appropriate resources for all of the things that a great community should provide – quality services to meet a variety of needs, enhancements to infrastructure, investments in personnel, and support for community organizations. More importantly, the document reflects a balanced financial plan that fulfills our vision of a *City organization that maintains an optimal service delivery framework that balances resources with needs.*

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

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

The proposed budget continues to sustain a very high level of service to the community. It maintains a service delivery framework that balances resources with needs. It reflects financial investments that are made based on the strategic priorities of the Mayor and City Council.

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

Raymond P. Rogina
Mayor

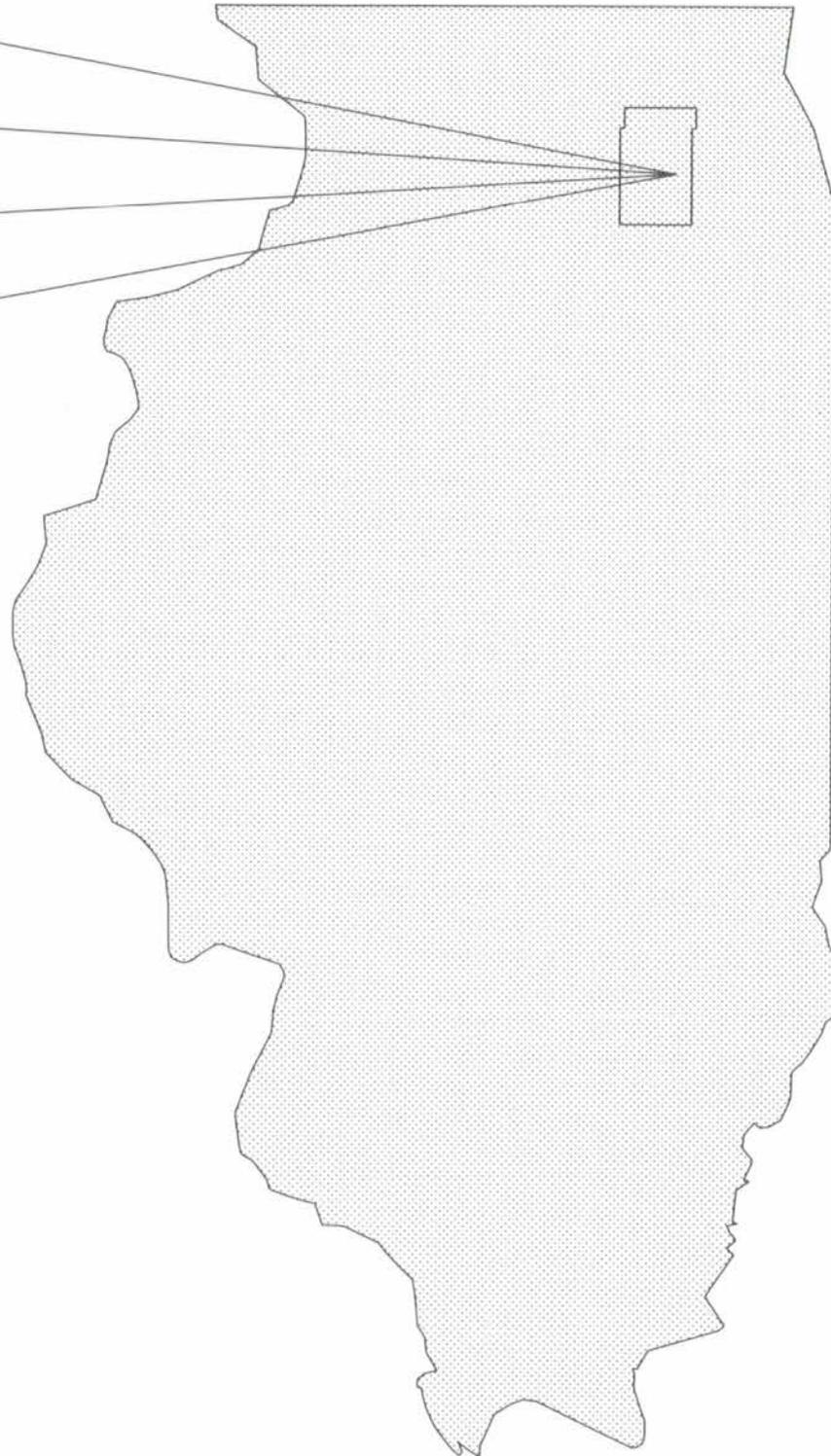
Mark Koenen
City Administrator

Christopher A. Minick
Director of Finance

POLICIES



ST. CHARLES
SINCE 1834



Policies

How to Review this Plan II-2

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Fund Balance Disclosure II-5

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How to Review This Plan

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

Budget Summary (Section I)

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

Policies (Section II)

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

Financial Trends (Section III)

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

Community Profile (Section IV)

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

Budget by Funds (Section V)

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

Capital Improvements (Section VI)

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

Appendix (Section VII)

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

Glossary (Section VIII)

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

Budget Process

Budgetary Controls

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

Review & Development

Each year in November or December, the Staff presents a "Mid-Year Budget Update" to the Government Operations Committee. During this review, the financial results of the first six months of the current fiscal year are reviewed. 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 early March, the City Administrator and Finance Director begin meeting individually with City Council members as necessary to present the budget and discuss concerns they may have. The budget is then revised based on the outcome of these meetings.

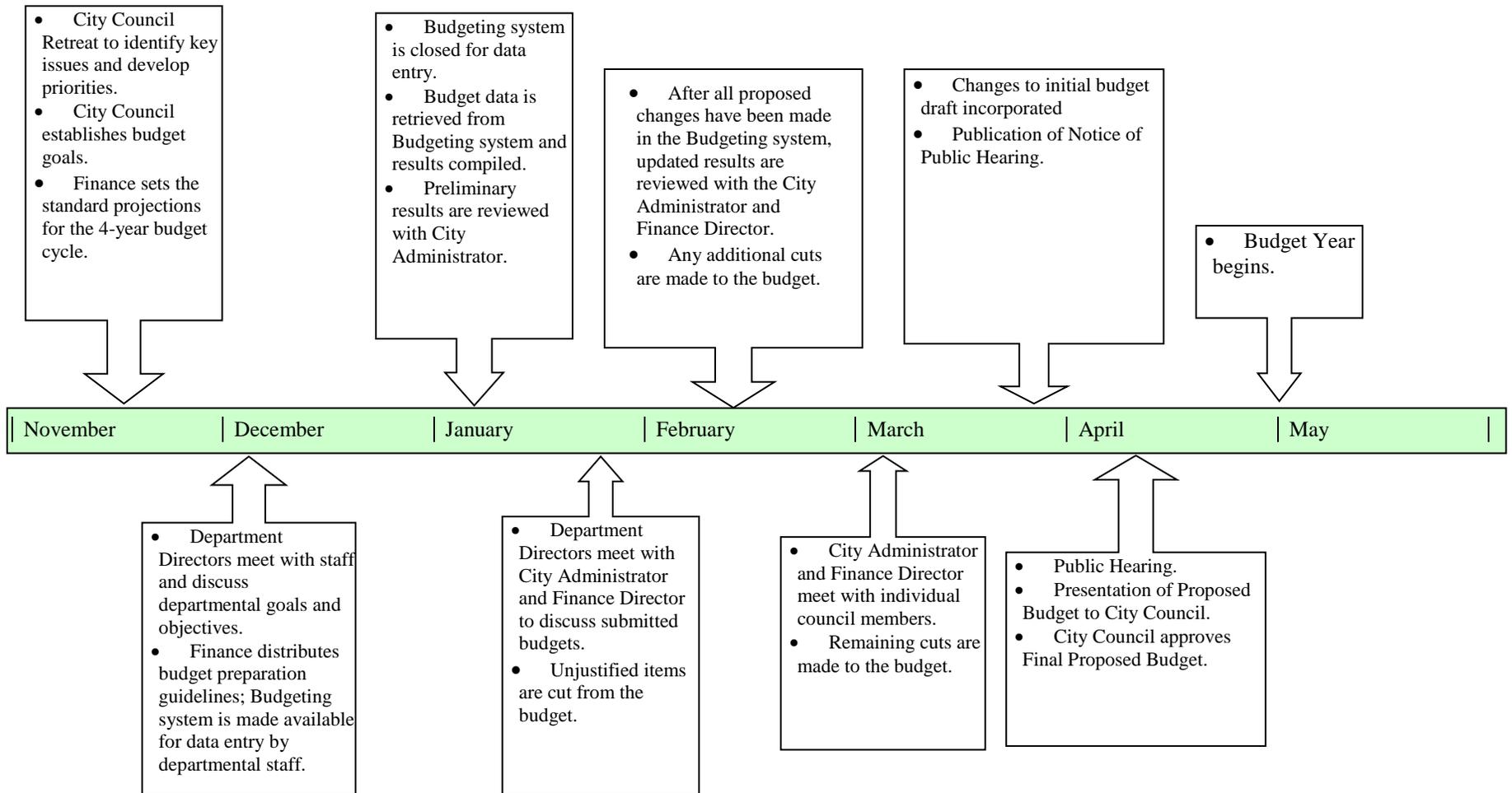
Adoption

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

Revisions

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

Budget Timeline



Fund Balance Disclosures

Governmental Fund Balance Categorizations

Governmental funds' equity (difference between assets and liabilities) is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. These categories and City Council action (if applicable) at April 30, 2014, in conjunction with the approval of the FY 14-15 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. Deficit fund balances in any other governmental fund will also be reported as unassigned.

Governmental Fund Flow Assumptions

The City's flow assumptions are stated in the FY 14-15 budget document to allow for implementation of GASB 54 in FY 11-12. The flow assumptions are based on GASB 54 definitions. The City will spend the most restricted fund balances first, in the following order:

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

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

Authority to Assign Governmental Fund Balances

The City's determination of authority to assign fund balances is stated in the FY 14-15 budget document to allow for implementation of GASB 54 in FY 11-12. Authority to determine assigned fund balances is conveyed to both the Finance Director and the City Administrator.

Policy Goals

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

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

General Policies

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

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

Implementation: The City is taking an operative role in its economic development. The Economic Development Division actively markets St. Charles to developers, retailers, and commercial realtors. It was realized that the downtown area lacked adequate parking and the City’s first parking deck was completed. In an effort to keep in touch with the needs of local business, the Mayor, City Administrator, and 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.

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 65% residential to 23% commercial and 10% industrial for the past ten years. It is anticipated that the next four years will maintain this ratio.

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

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

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

Budgetary Policies

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

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

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

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

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

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

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

Policy goal: Pay current operating expenses from current revenues.

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

Implementation: The proposed budget will meet the above policy. Staff has proposed a balanced budget for fiscal year 2014-2015 and will endeavor to take the steps necessary to present balanced budgets in future years.

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.

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

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

Implementation: This has always been our practice.

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

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

Implementation: The City is currently meeting all bond covenants.

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

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

Implementation: The City currently meets this standard for all funds except the Wastewater Fund. The City was able to take advantage of low interest loans available from the Illinois Environmental Protection Agency (IEPA) to address improvements necessitated by more stringent effluent compliance standards and aging infrastructure. These loans were pivotal in minimizing compliance costs for the utility. The Wastewater Fund’s debt service ratio is 28.5% of operating expenditures, and the Fund has adequate reserves to assist in debt service payments if necessary. In addition, it is projected in the Water Fund that debt ratios will exceed the debt policy goal beginning in FY 15-16. This is primarily the result of additional debt service related to the financing of a third water tower in conjunction with previous debt issuances related to the construction of facilities to comply with mandated radium standards. Like the Wastewater Fund, the Water Fund has adequate reserves to assist in debt service payments if necessary.

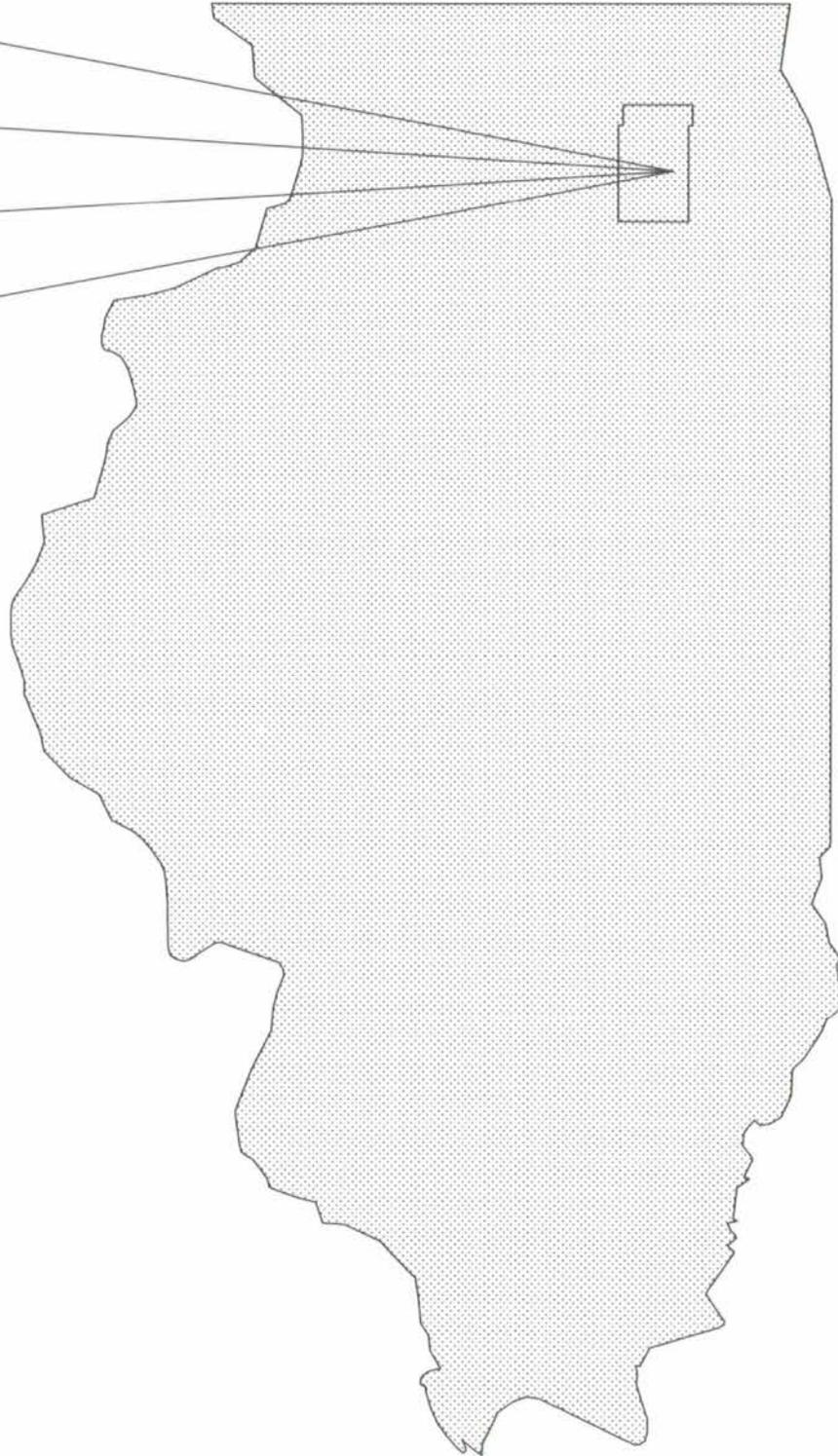
Policy goal: *Capital expenditures of less than \$500,000 will not be financed.*

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.

FINANCIAL TRENDS



ST. CHARLES
SINCE 1834



Financial Trends

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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.

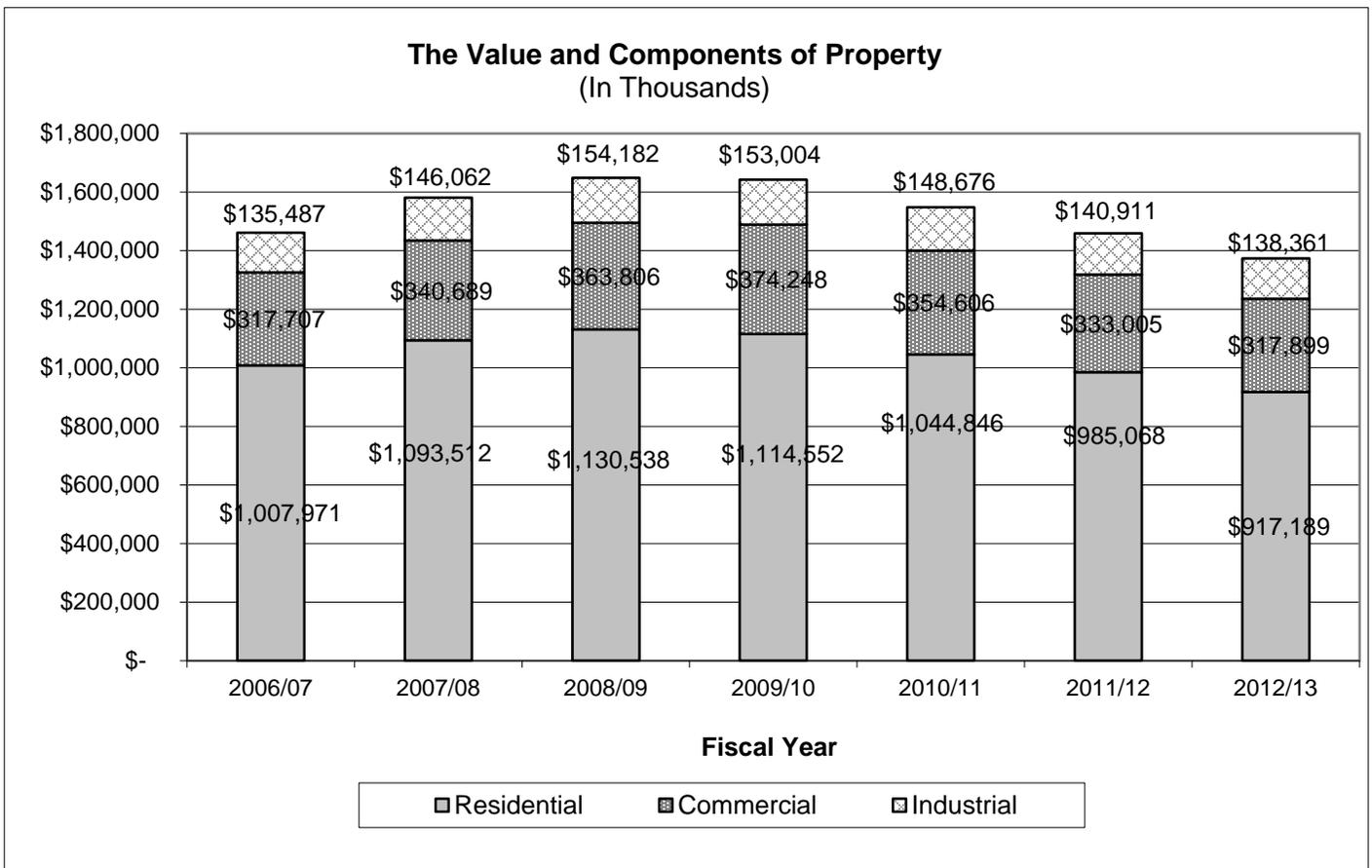
Revenue Trends – These revenue trends provide detailed analysis concerning the City’s property and sales tax base. In addition, any other significant revenue sources are included in this section.

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

Indicator Description

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

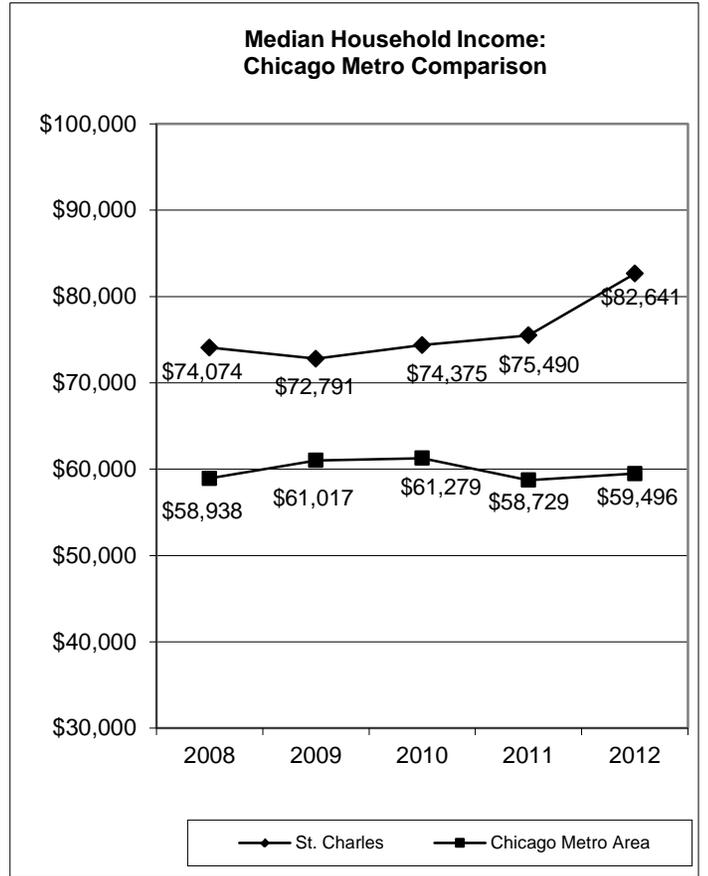
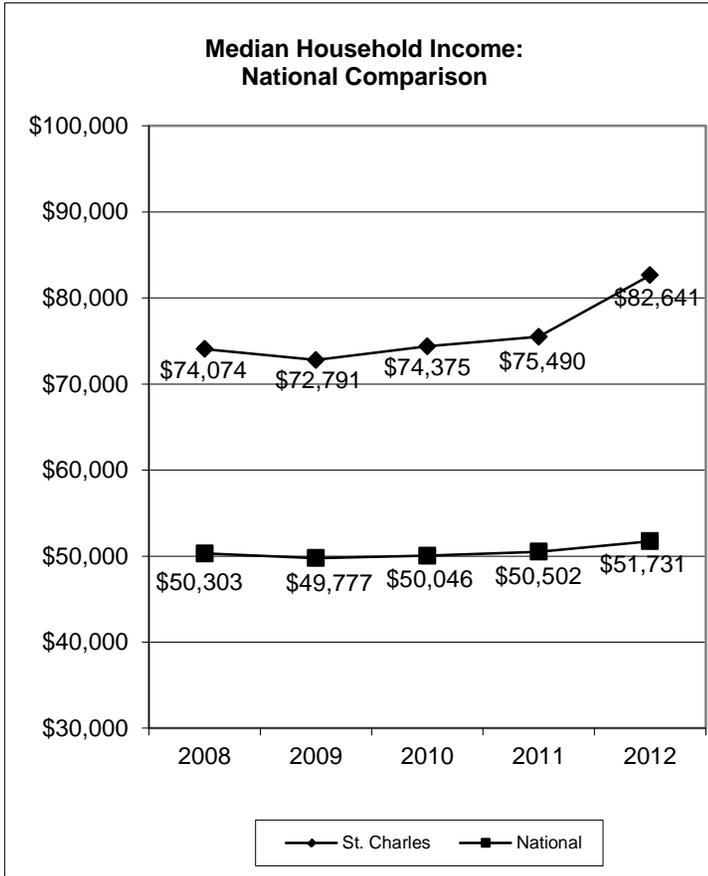
Trend Analysis

Assessed valuations for St. Charles have decreased approximately 6.0% for the period under review. The City has been able to maintain an appropriate balance between development types. Since 2006/2007, the City has witnessed varying changes in assessed property values in each area; residential values have decreased as a result of the housing crisis that began in 2008 (-9.01%), commercial values stayed relatively flat as compared with 2006/2007 (0.063%), and industrial values are slightly higher (2.12%) when compared to 2006/2007 values. For the 2013 levy, we anticipate a decline in property values of approximately 3.0% due to generally prevailing economic conditions.

Traditionally, St. Charles has been able to maintain a well-diversified tax structure, since sales tax could be relied on as a major funding source. However, increased competition from neighboring communities for sales tax dollars increases the City's reliance on 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.

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

Community Growth Trends: Income



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

Indicator Description

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

Trend Analysis

Median household income for the City of St. Charles is considerably higher than the national average of \$51,731 (2012) and the Chicago Metro average of \$59,496, 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 43% of General Fund revenue, apply to visitors as well as residents.

Source: U.S. Census Bureau and projections

Comparative Trends: Utility Rate Comparison

Tri-City Utility Rate Comparison 2014					
Annual Comparison of Utility Charges					
	St. Charles		Geneva		Batavia
Electric	\$	1,249.50	\$	1,120.86	\$ 1,276.33
Water	\$	387.02	\$	759.79	\$ 530.98
Sewer	\$	590.67	\$	444.26	\$ 530.05
TOTAL	\$	2,227.19	\$	2,324.91	\$ 2,337.36

The rates used were based on proposed rates for St. Charles and Batavia. Geneva's rates are actual rates as of May 1, 2014. Amounts are based on 1,000 kwh of electricity and 11,000 g. of water usage per summer month and 700 kwh and 7,000 g. usage per winter month

Indicator Description

This chart shows the total amount of money a typical household would pay for public utilities on an annual basis as of May 1, 2014. It incorporates rate increases proposed with the City's FY 14-15 budget and increases proposed or approved in other communities. The public utilities are operated as businesses and financed by user charges. Private businesses consider utility costs when making decisions on the location for their facilities. It is therefore important to be competitive with neighboring jurisdictions.

Trend Analysis

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

St. Charles' and Batavia's long-term power contracts terminated in 2007, as Geneva's did in 2005. The ability to secure affordable wholesale power has impacted electric rates. In 2007, Geneva and Batavia added a "purchased power adjustment factor" (PPAF)¹ on all of their customer's electric bills which reflects market changes. St. Charles implemented a power cost adjustment factor in October 2013. St. Charles has been proactive in planning for future electricity cost and joined the Illinois Municipal Electric Agency (IMEA) to manage its power cost in an efficient manner. The City's wholesale power purchases contract is based on IMEA's costs to produce and provide power to the City of St. Charles. It should be noted that regulatory changes which increase electrical power generation or transmission and distribution costs will have an impact on the rates charged for electricity.

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

Source: City utility rate survey and City Ordinances

Comparative Trends: Tri-City Comparison

Tri-City Household Comparison				
Annual Municipal Service Tax Burden 2013-2014				
	Usage per Month/Value	St. Charles	Geneva	Batavia
Electric Franchise Fee	1000/700 kwh ¹	\$ 55.87	\$ 23.90	\$ 39.97
Gas Utility Tax	\$119.17	-	\$ 71.50	\$ 32.05
Telecommunications Tax	\$120.00	\$ 72.00	\$ 86.40	\$ 86.40
Water Utility Tax	11,000/7,000g	-	\$ 43.12	\$ 24.52
Yard Waste Fee	Varies	\$ 40.80	\$ 48.60	\$ 36.00
Property Tax ²	\$300,000 home	\$ 824.76	\$ 637.63	\$ 654.13
Additional Local Sales Tax	\$470	\$ 56.42	\$ 28.21	\$ 56.42
Total Annual Taxes/Fees		\$ 1,049.85	\$ 939.37	\$ 929.49

Indicator Description

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

Trend Analysis

As the chart indicates, the City of St. Charles is slightly above Batavia and Geneva in terms of cost for city services. In the past, St. Charles was able to maintain a property tax rate lower than surrounding communities. Area communities have imposed taxes on utility service to finance operations that the City funds from the property tax revenue stream. The City has maintained a consistent property tax levy for five consecutive years. Several factors led to the need for the current levies including various capital projects and support for local mental health agencies.

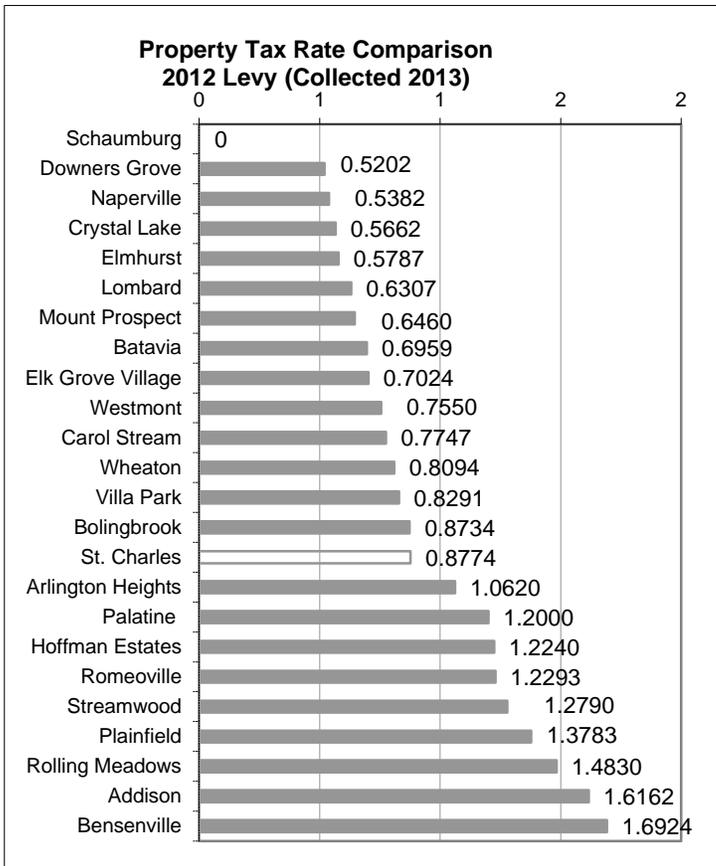
St. Charles does not levy a tax on natural gas or a water utility franchise fee, as do both Geneva and Batavia. As a non-home rule community, Geneva is subject to property tax caps and cannot assess a local sales tax without referendum approval.

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

2 A portion of the St. Charles property tax rate is dedicated to the repayment of bonds issued for the construction of the Red Gate Road Bridge.

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

Comparative Trends: Property Tax Rates



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

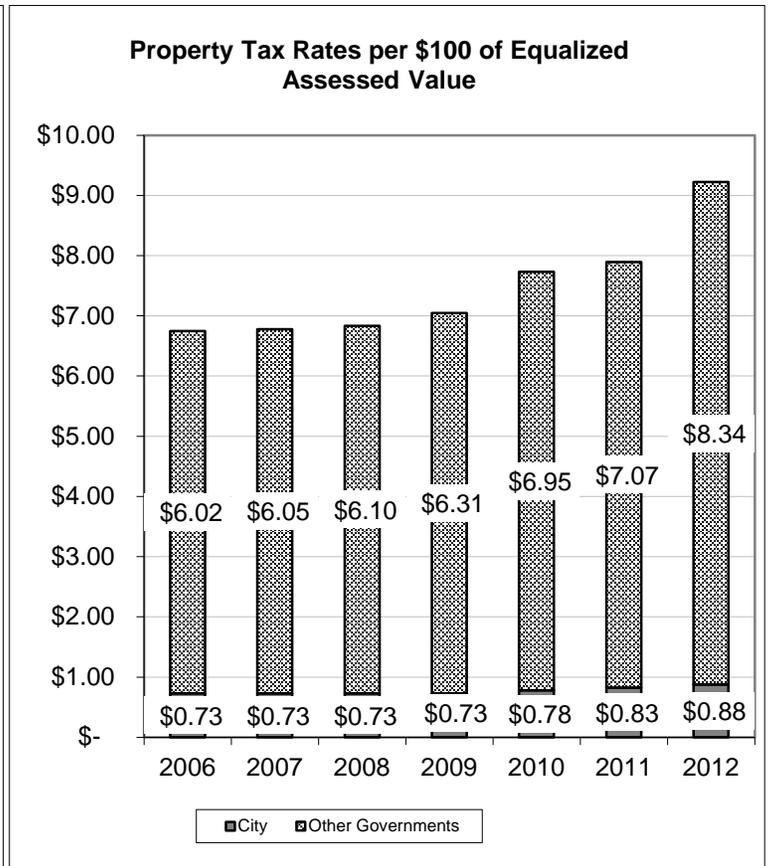
Indicator Description

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

Trend Analysis

The City remains cognizant of the total local tax burden for residents and continues to diversify revenue sources to meet budgetary policy. In addition, the City continues to expand its commercial tax base in order to increase sales tax revenue, 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 FY 2014/2015, City Council has directed Staff to maintain a consistent operating property tax levy of approximately \$12,000,000 for the sixth consecutive year. This will have the impact of increasing the tax rate to an estimated \$0.904837 when factoring in the anticipated 3.0% decline in the City's taxable value (EAV) for the 2013 levy.

Source: St. Charles CAFR and survey of area communities



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

Indicator Description

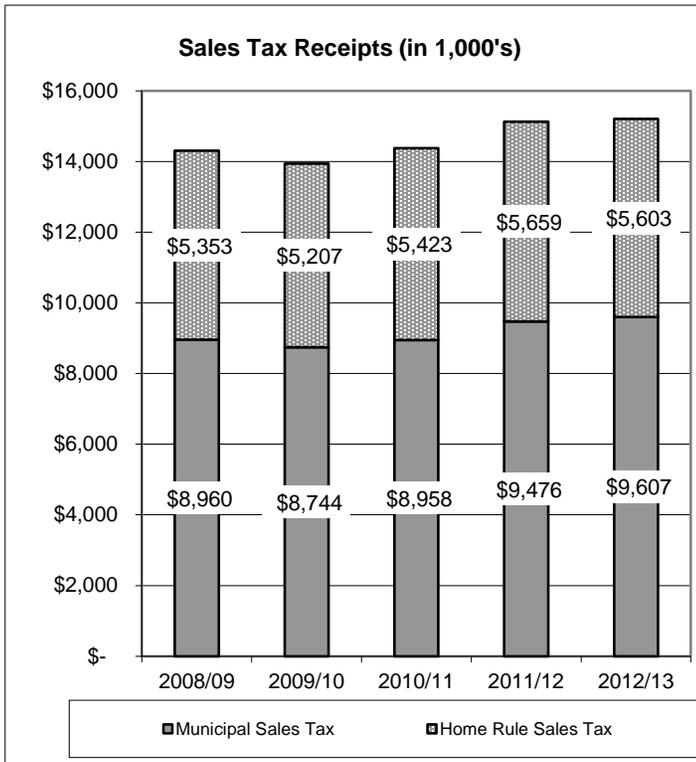
The above chart illustrates the City's portion of the property tax rate as compared to rates of overlapping governments (i.e.: County, school district, park district, library district, etc.). Decisions related to tax levies must take into consideration the total community tax rate, including all overlapping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

Trend Analysis

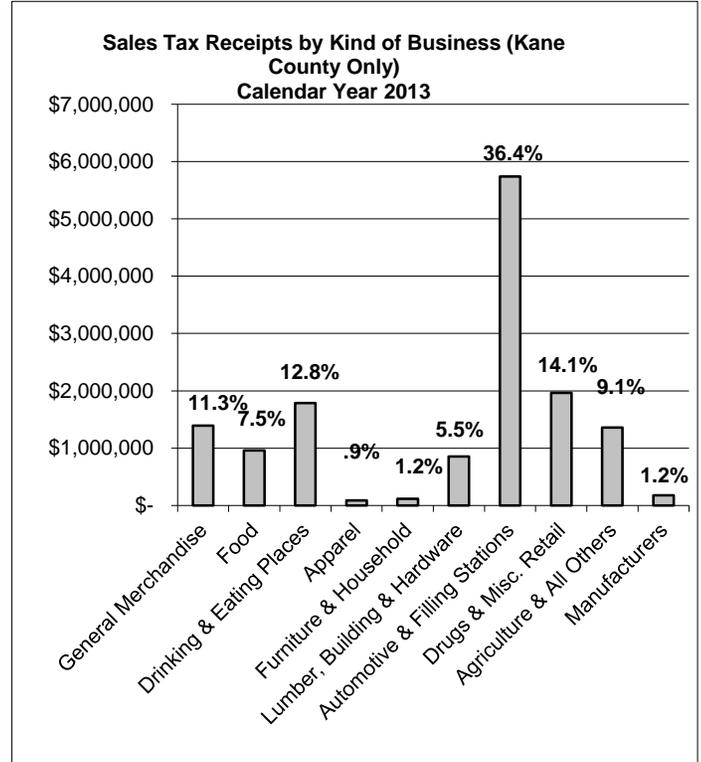
The City has been able to keep its rate relatively low during the period under consideration. Starting with the 2010 levy, the rates increased due to the declining EAV of the City. The City receives approximately 10% of a property's total tax bill.

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 modest increases over the last three years in comparison to the three preceding fiscal years.

Indicator Description

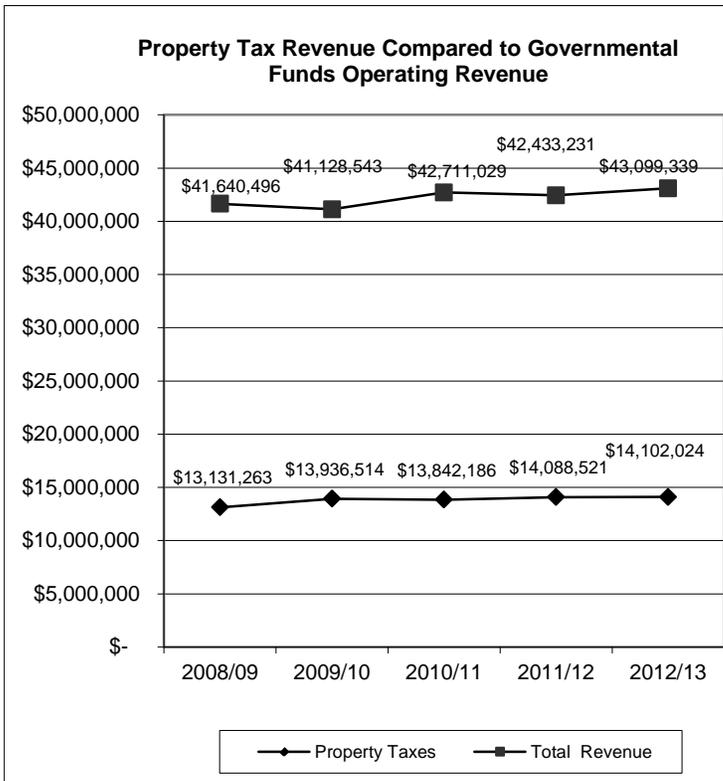
This table is presented to distinguish the sources of sales tax revenue received by the City (not including DuPage County). The information is given by calendar year, rather than fiscal year. Being aware of what percentage certain retail goods constitute of the whole can provide City officials with some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

Trend Analysis

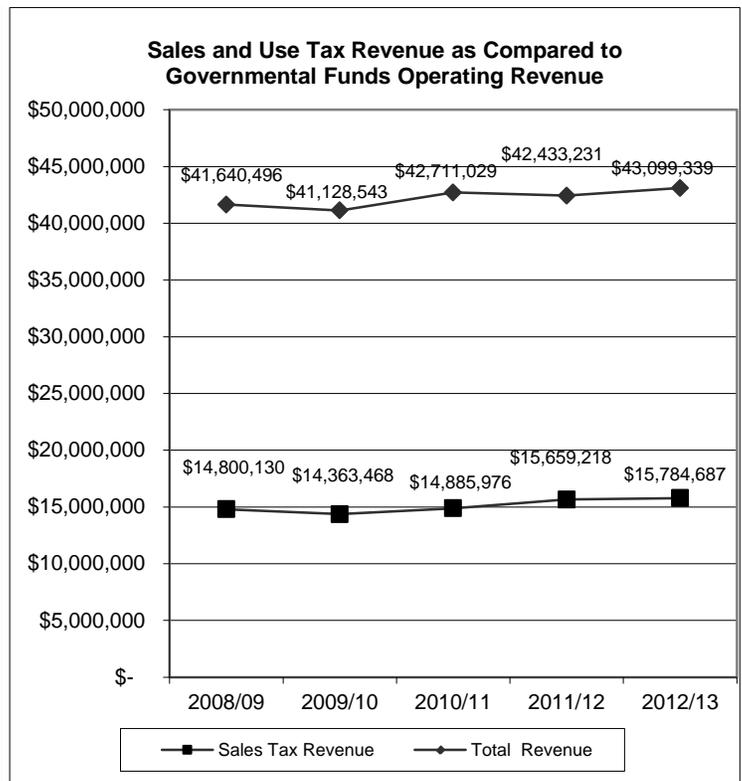
The largest percentage of sales tax revenue for the City comes from automotive and filling stations, which includes businesses such as new and used car dealers, auto and home supply stores, gas and service stations, as well as automotive repair. The second largest category of revenue is drugs and miscellaneous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

Source: Illinois Department of Revenue

Revenue Trends: Operating Revenue



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



Almost 36.6% of operating revenue comes from sales and use tax receipts.

Indicator Description

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

Trend Analysis

Property Tax as a percentage of governmental funds' operating revenue has generally remained stable over the last few fiscal years. The percentage has grown from 19.5% in 2001 to 32.7% in 2013. The flat trend in the graph reflects the City's policy of keeping the property tax levy consistent over the last five fiscal years.

Source: St. Charles CAFR

Indicator Description

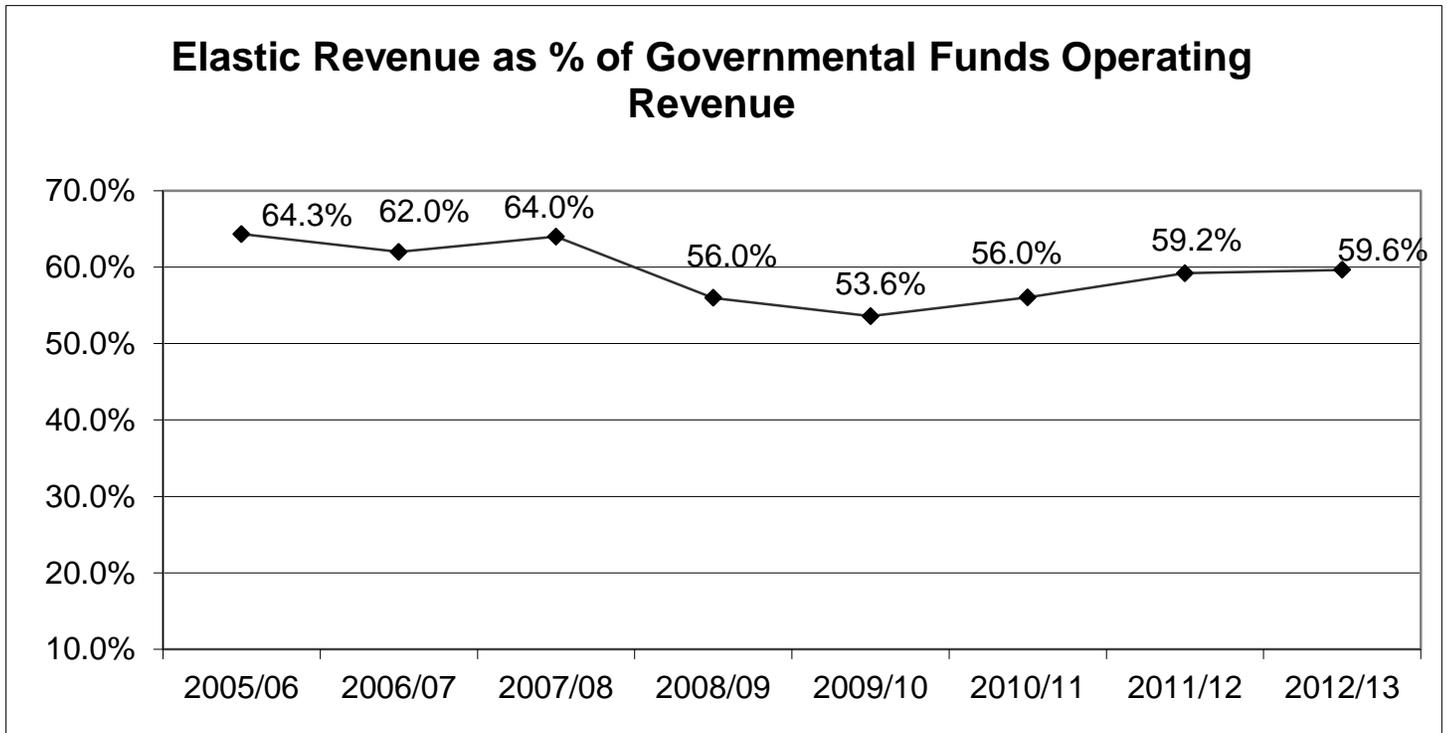
This indicator compares sales tax revenue (includes state sales tax, home rule sales tax, municipal use tax, and state auto rental tax) to that of net operating revenues, which are revenues that are available for general governmental functions, such as police and fire protection and street repair.

Trend Analysis

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 2012/2013, the percentage stands at 36.6%. Sales taxes are often paid by non-residents and increase during healthy economic periods, making them a desirable source of revenue. On the other hand, having such a significant portion of operating revenue reliant on consumer purchases, means greater susceptibility to economic fluctuations. Other sources such as property taxes traditionally remain somewhat stable.

Source: St. Charles CAFR

Revenue Trends: Elastic Revenues



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

Indicator Description

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

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

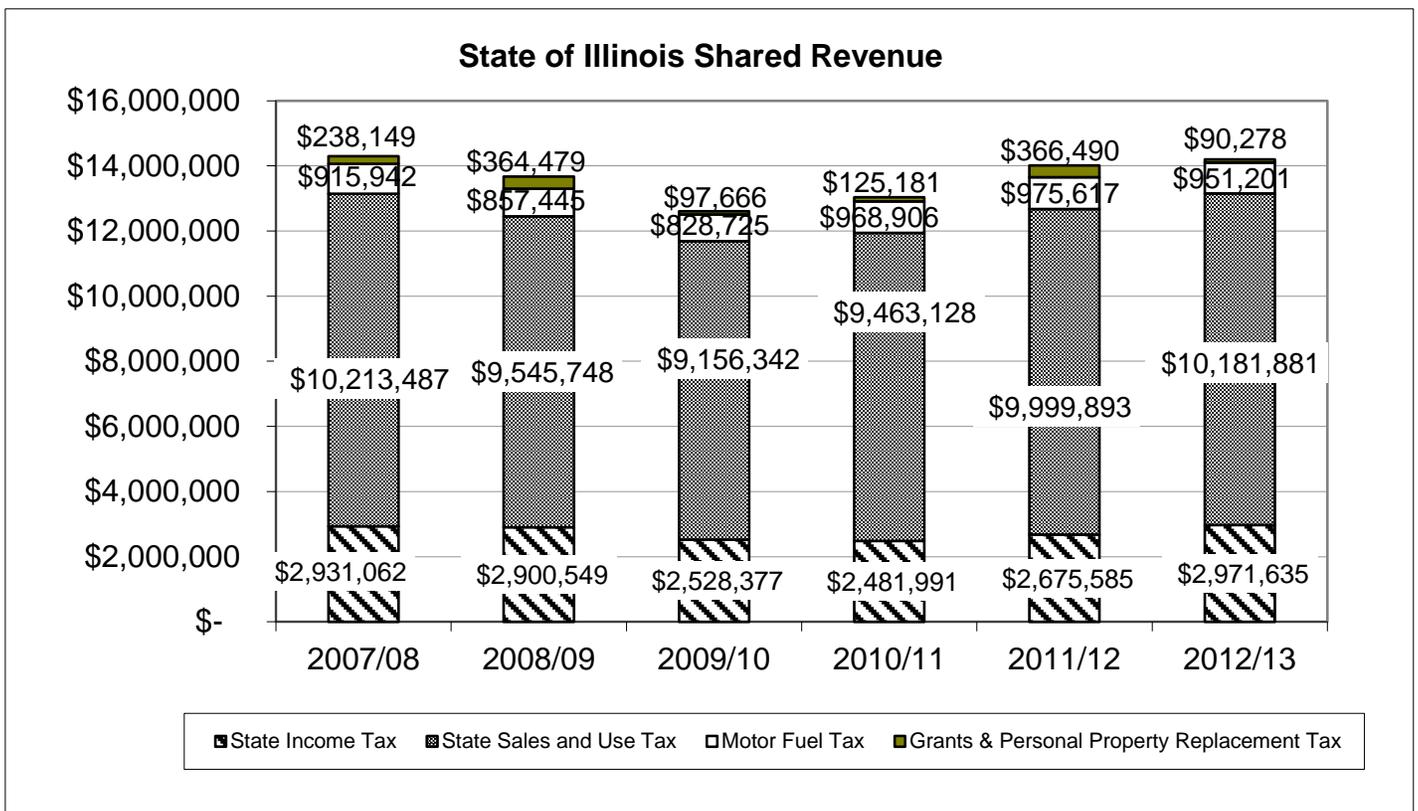
Trend Analysis

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

In 1995/96, elastic revenues were over 74% of governmental funds' operating revenues. Over the last 17 years, this percentage had dropped significantly. During 2010/2011, the City introduced a 2% tax on alcoholic beverages. This new revenue source has helped this recent trend. Elastic Revenue sources currently provide 59.6% of Governmental Funds' Operating Revenues.

Source: St. Charles CAFR

Revenue Trends: Intergovernmental Revenues



The City's intergovernmental revenues are fairly stable, but increases typically result from a healthy and growing economy. These revenue sources declined in 2008/09 and 2009/10 due to the state of the economy.

Indicator Description

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

Trend Analysis

As is reflected, with the exception of grants, the intergovernmental revenues had been relatively stable, up until fiscal year 2008/09. 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. 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. Although the State recently increased its Income Tax rate, the State retained the increase for its own use and did not change the amount distributed to municipalities.

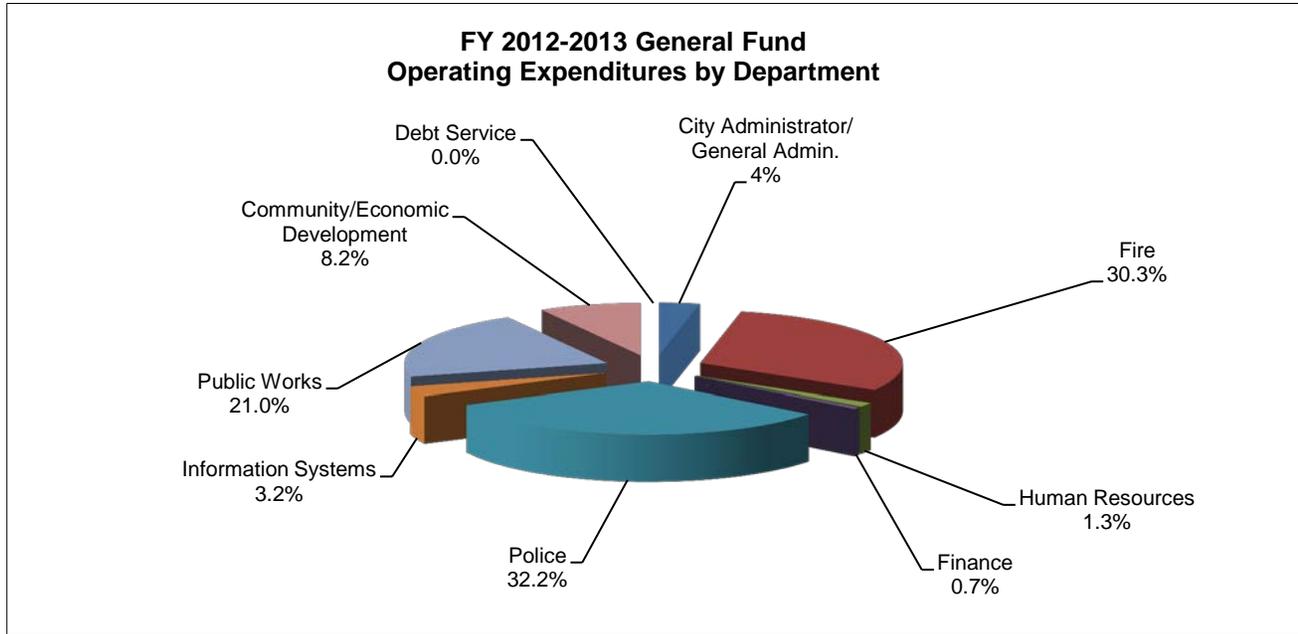
Motor Fuel Tax receipts are based on a per capita formula by the state. Revenue from this tax is used to fund maintenance and construction of City streets and rights-of-way.

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. Nearly half of the cost of the Red Gate Road Bridge was funded with Federal and State grants.

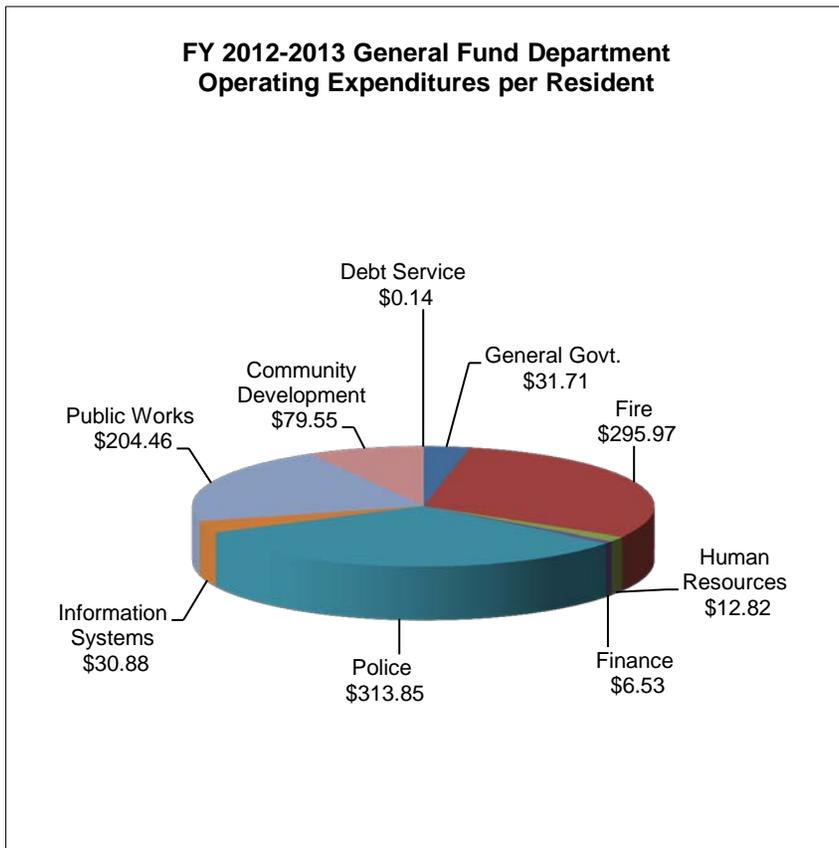
Over the last several years, various initiatives have surfaced in the legislature to limit or reduce the amount of revenue distributed to municipalities. Any reduction in these revenues would have an impact on the City's ability to provide a consistent level of services to its residents.

Source: St. Charles CAFR

Expenditure Trends: Operating Expenditures



Approximately \$ 0.83 of each dollar spent goes to police, fire, and public works services.



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

Indicator Description

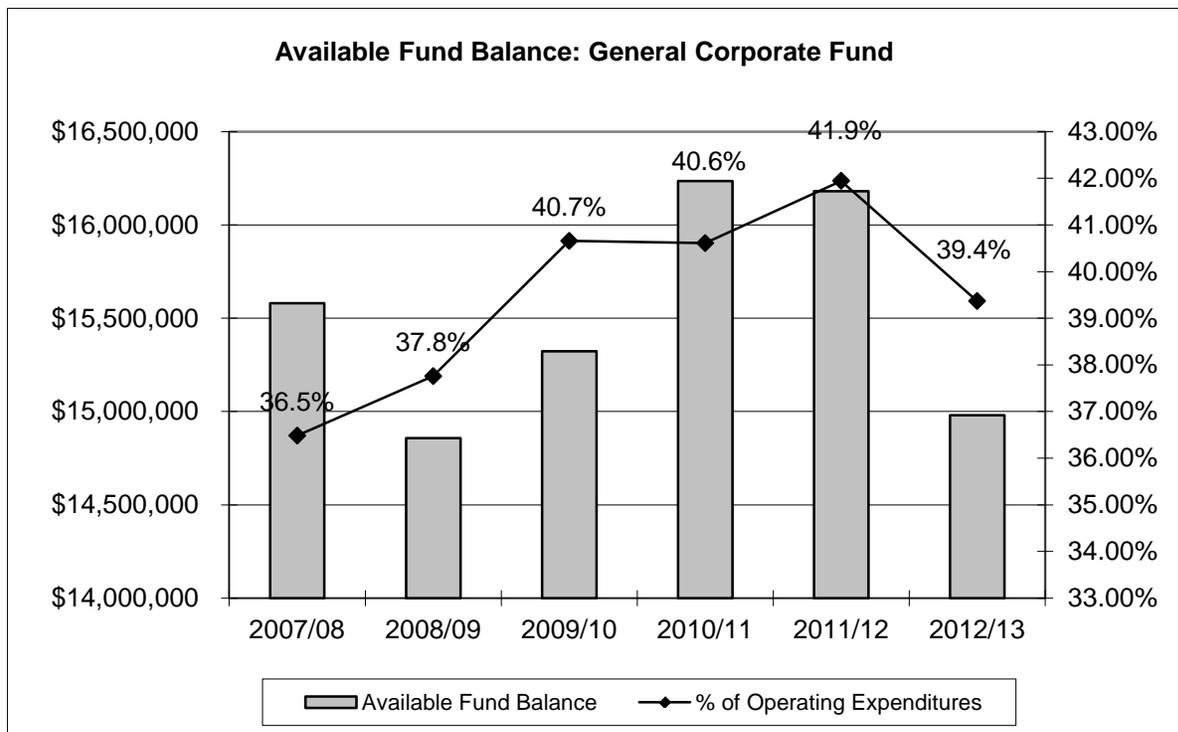
The first pie chart represents operating expenditures by each City department for the General Fund. Additionally, the second chart displays operating expenditures per resident by City Department.

Trend Analysis

In fiscal year 2012/13, approximately \$926 was spent per resident in the provision of services for General Government, Public Safety, Public Works, and Community Development. This reflects a 0.46% increase from the 2011/2012 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

Expenditure Trends: Available Fund Balance



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

Indicator Description

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

Trend Analysis

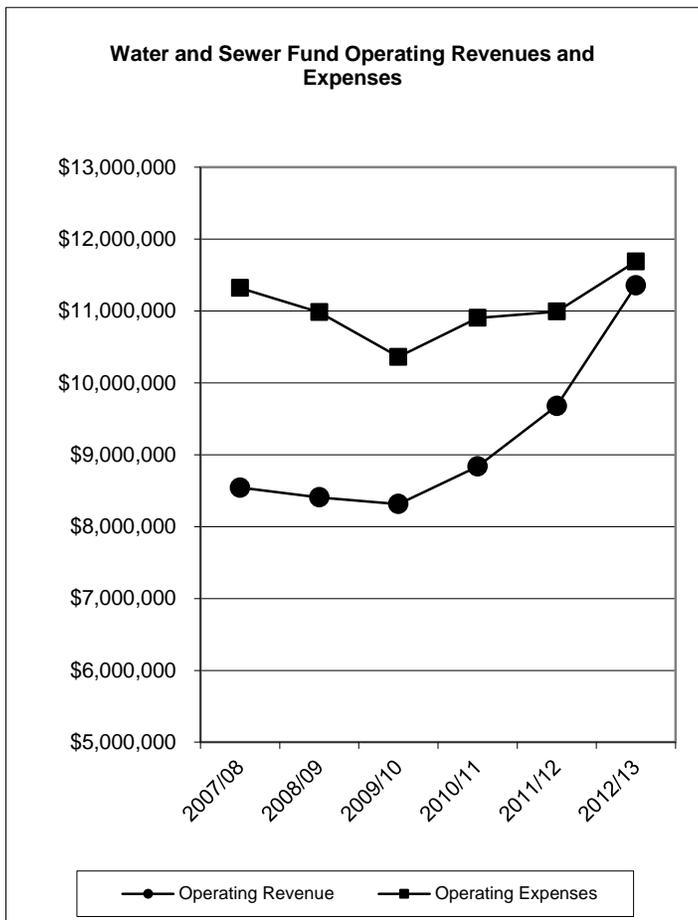
The City has consistently maintained well above the required 25% available General Fund balance of operating expenditures since the minimum increased in 2004. The available fund balance has continued to grow over the years, with the exception of a decrease in 2008/09. St. Charles still remains in a relatively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

In 2012/13, the City's General Fund loaned 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. This is the reason for the decrease noted in 2012/13.

The table reflects the City's policy of living within its means by matching expenditure levels to revenue streams. The City has a history of enacting balanced budgets. This strong financial performance and policy has meant that the City has not had to finance operations from its reserves over the last several fiscal years.

Source: St. Charles CAFR

Enterprise Fund Trends: Water and Sewer



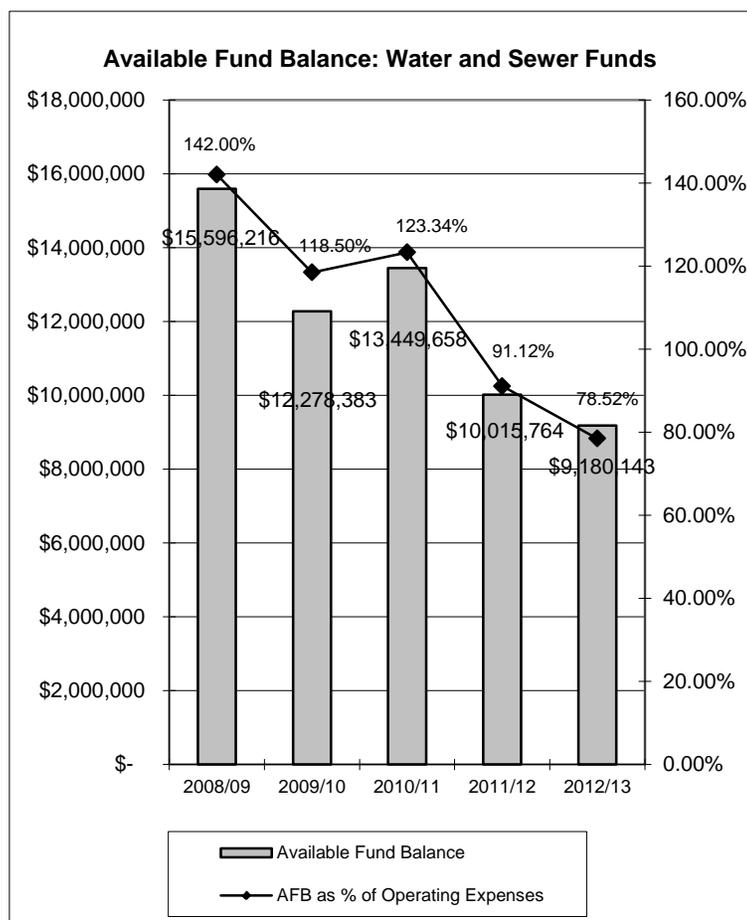
Over the last several years, the City has made an effort to bring revenues in line with Operating Expenses.

Indicator Description

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

Trend Analysis

Water and sewer usage have remained fairly stable over the period represented, with the exception of a decrease in 2008/09 due to a cool and wet summer and 2012/13 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. The trend continues to show rising expenses for both funds, as these services are affected by environmental mandates as well as rising operational costs. *Source: St. Charles CAFR*



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

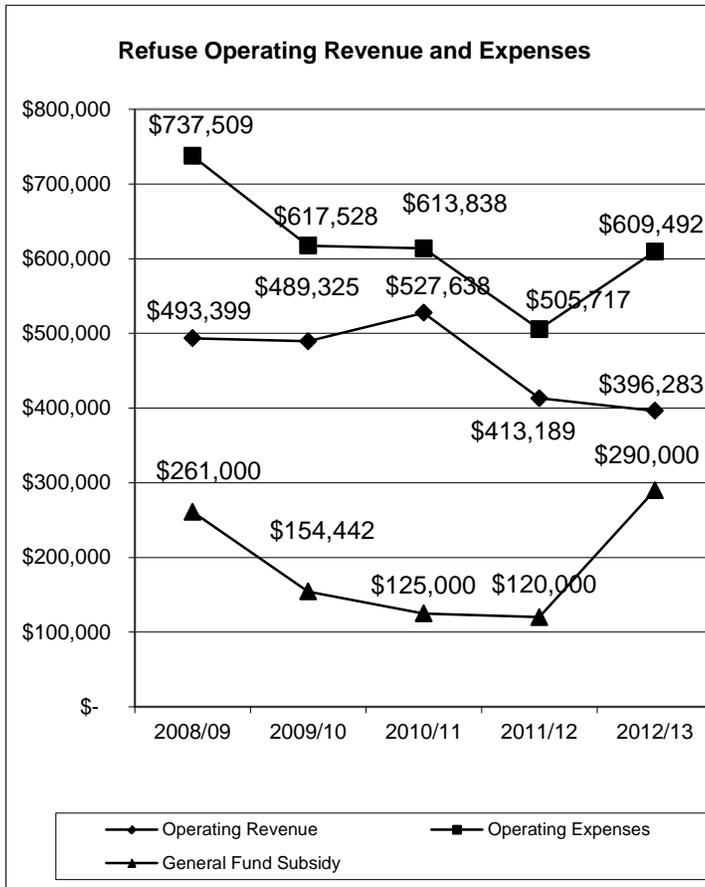
Indicator Description

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

Enterprise Fund Trends: Refuse and Electric



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

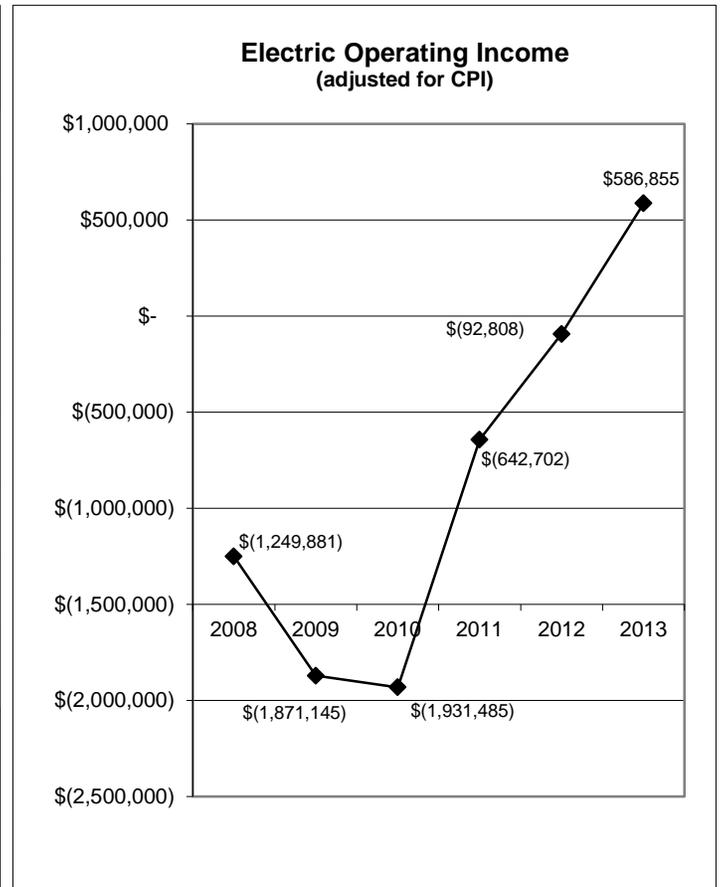
Indicator Description

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 \$3.40 per month for these services. Though revenues have grown, the growth is not enough to support services, so user-fees are supported by transfers from the General Fund. For FY 2009/2010, the General Fund transfer was reduced by \$125,000 to reflect the elimination of the Spring Clean-up Program. The Spring Clean-up was reinstated in the FY 2012-2013 budget and going forward will be a biennial expense. The FY 2014-2015 budgeted General Fund transfer is \$177,581.

Source: St. Charles CAFR



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

Indicator Description

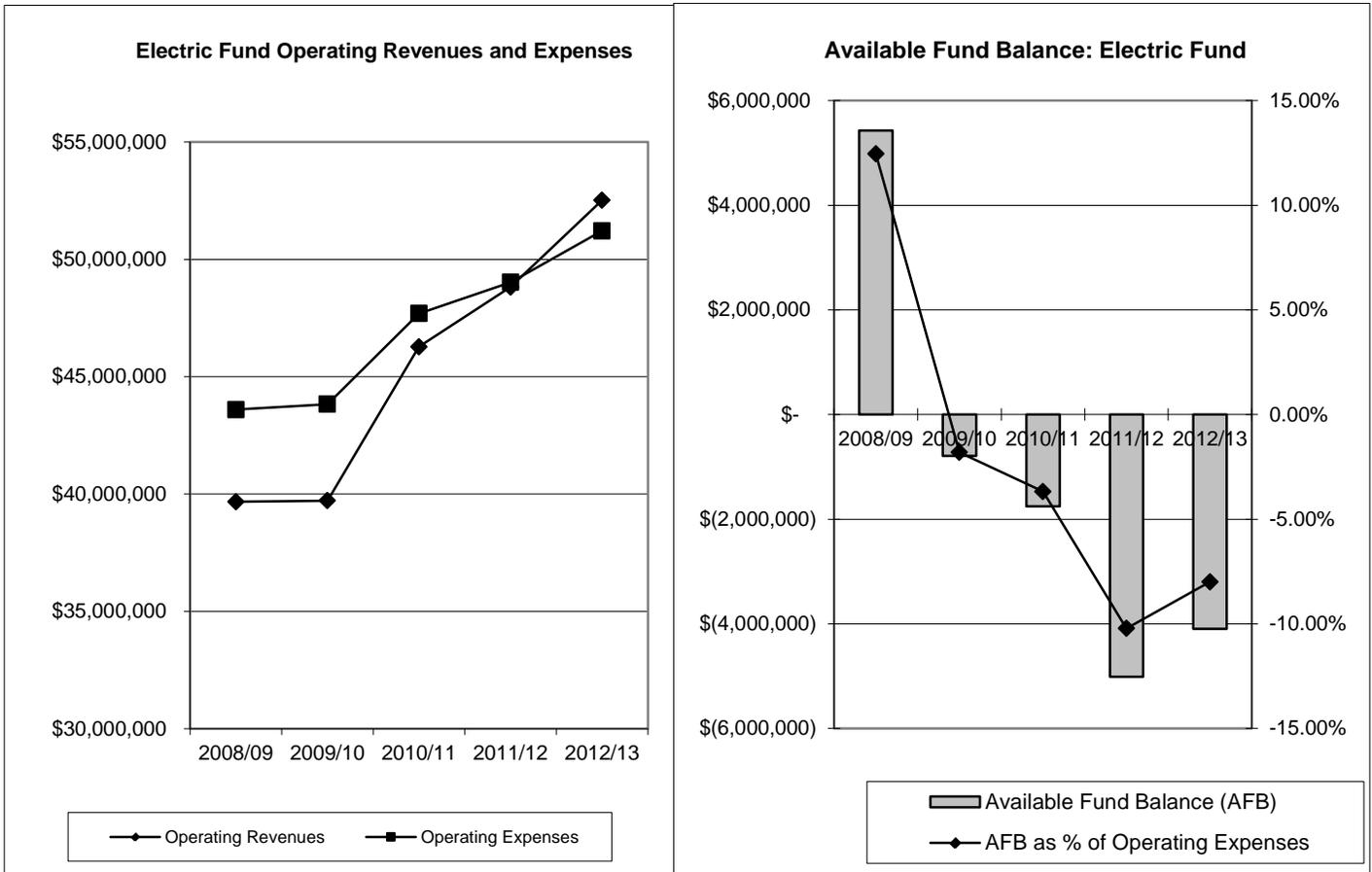
Since enterprise activities like electric are businesses run by government, they are unique. The typical business "bottom line" of profit or loss may not portray the most accurate picture of such a fund's long-run financial condition. This indicator looks at the total cost of providing the service (operating 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. This trend can be attributed to higher wholesale power costs due to the City's change in electric supplier from ComEd to IMEA. The City completed a utility rate study during FY 11/12 to assure the financial viability of the electric utility. Several changes to the rate structure have been implemented to begin the long-term process of reversing the trend and returning the fund to a sustainable business model.

Source: St. Charles CAFR and Bureau of Labor Statistics

Enterprise Fund Trends: Electric



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

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

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. Unlike the Refuse Fund, the Electric Fund is intended to be self-sufficient as part of the City’s financial policy.

Trend Analysis

Prior to 2007/08, revenues (from user fees) collected 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.

Indicator Description

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

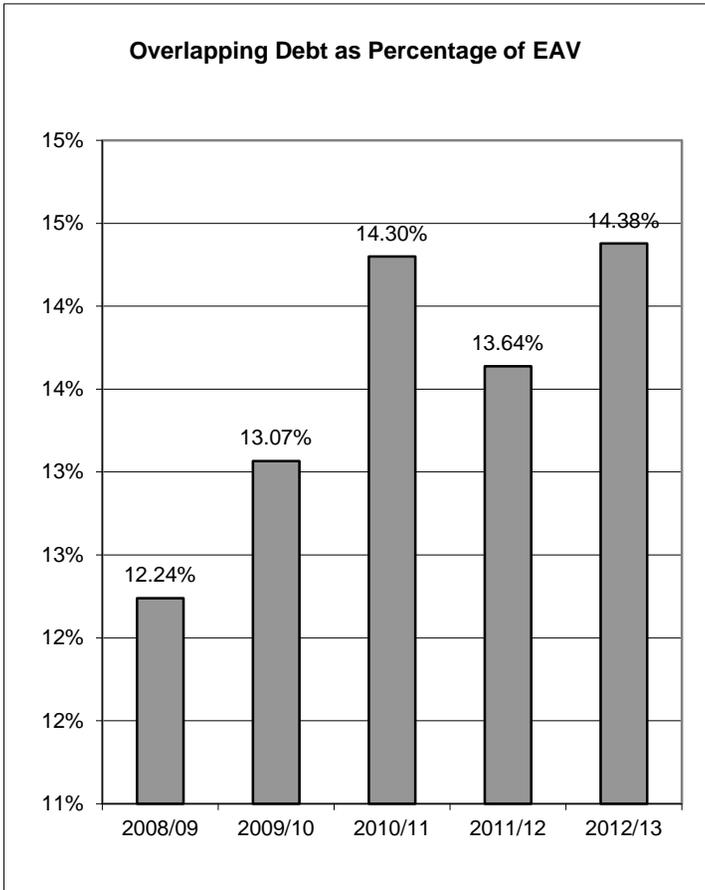
Trend Analysis

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

Source: St. Charles CAFR

Source: St. Charles CAFR

Debt Service Trends: Debt Measures



Multiple governmental units, including the City, issued new debt during fiscal year 2012/2013.

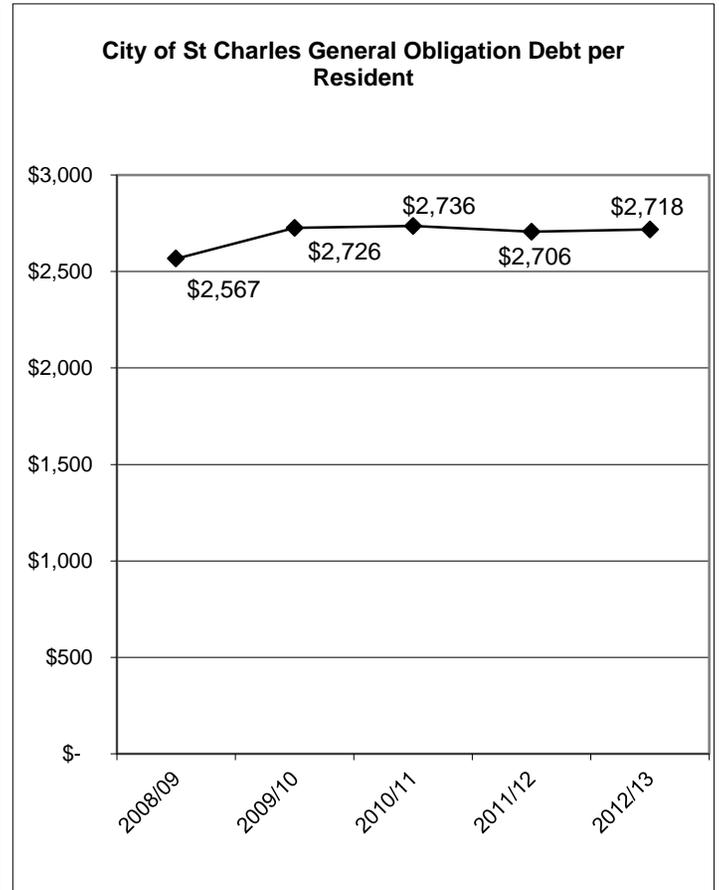
Indicator Description

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

Trend Analysis

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

Source: St. Charles CAFR



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

Indicator Description

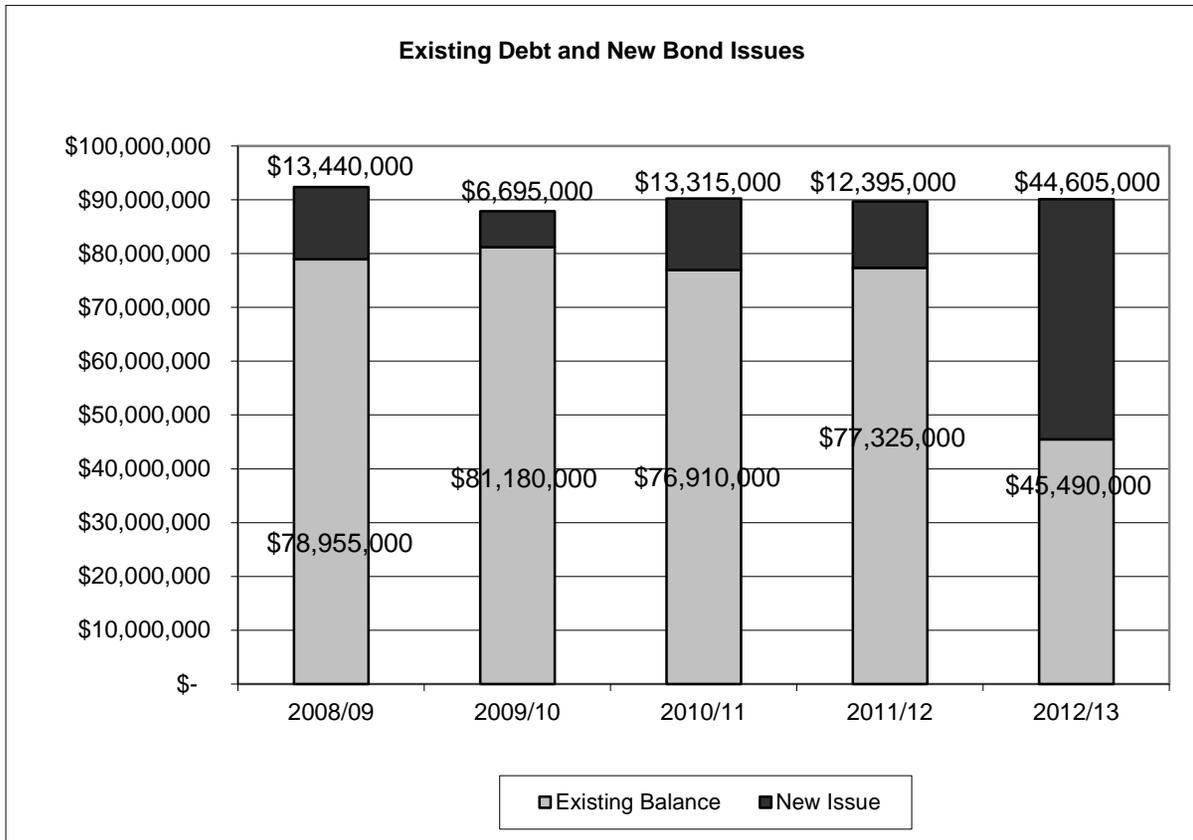
This illustration of long-term debt does not include the aforementioned overlapping jurisdictions.

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. As the population growth slows, even a slight increase in issued debt will account for a larger amount per resident. In contrast to many other units of local government, the City does not levy property taxes to finance its debt but pays for principal and interest from the general revenue stream.

Source: St. Charles CAFR

Debt Service Trends: Long Term Debt



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

Indicator Description

The above chart represents existing balances of General Obligation bond issuances, and subsequently, any additional debt issued, per year for the last five years. The amount of bond issues varies drastically by number and types of projects the funds will be applied to. 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 are a list of the projects corresponding to new bond issues in the five-year period represented:

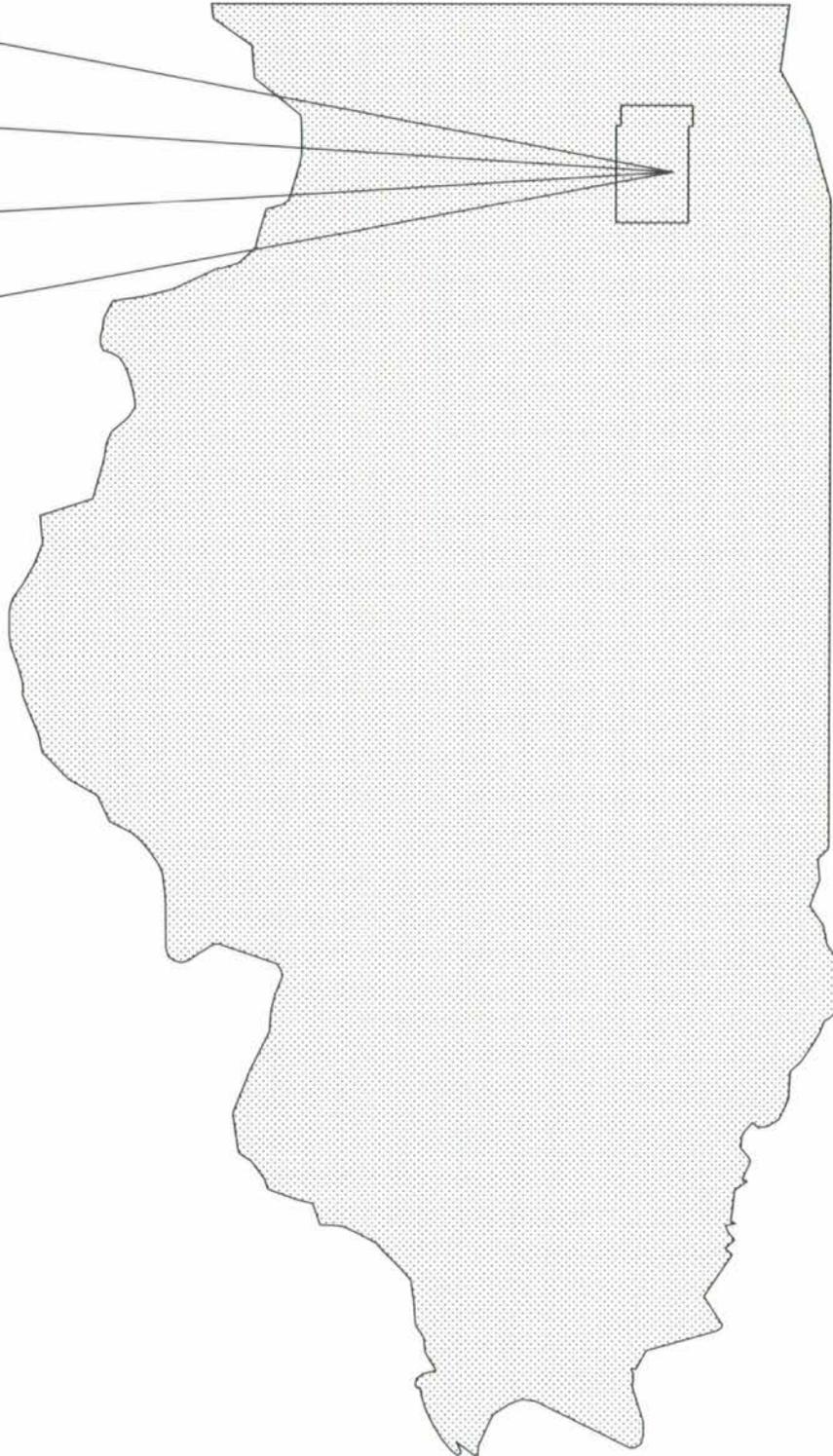
- 2008/09: Riverwall Project, Fire Station #1 Project, Electric Projects and Ladder Truck Purchase
- 2009/10: IL 64 Water & Wastewater Improvements, Electric Projects Refunding Bond Issue
- 2011/12: ERP System, Road Reconstruction projects, Wastewater Improvements, Refunding Bonds
- 2012/13: EAB Tree Program, Red Gate Bridge and related Water/Electric Improvements, First St. Restructuring 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 \$2.850 million through 2025.

COMMUNITY PROFILE



ST. CHARLES
SINCE 1834



Community Profile

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

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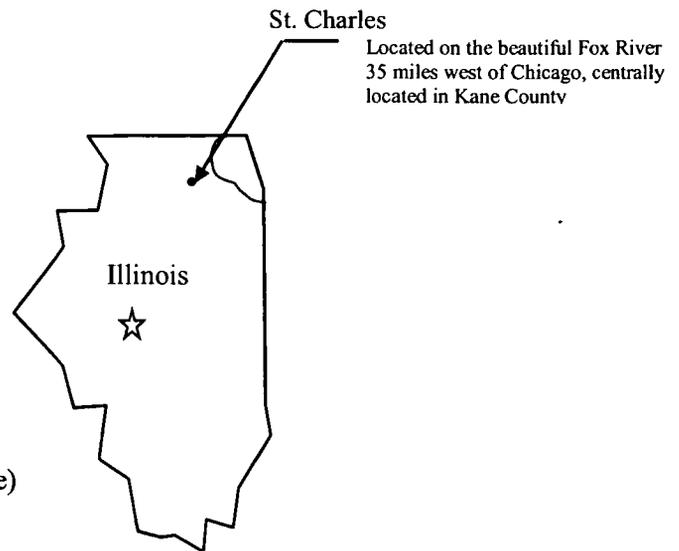
COMMUNITY PROFILE

St. Charles - The Early Years

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

Illinois Facts:

Capital:	Springfield
State Bird:	Cardinal
State Tree:	White Oak
State Flower:	Violet
State Song:	Illinois
State Animal:	White-tailed Deer
Nicknames:	The Prairie State and The Land of Lincoln
State Motto:	“State sovereignty National union”
Population:	12,882,135 (2013 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 in to 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 State’s population grew less than 1% from 1980 to 1990, while St. Charles population from 1980 to 1990 increased 19% (17,492 in 1980 and 22,620 in 1990). The year 2000 census results put the City at 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 of 32,974. In 2013 the City’s estimated



population is 33,327. The City's population is projected to be 34,694 in the year 2017. The following is a history of population counts, actual and estimated.

		Per Census	Interim Estimate
2002/03	Special Census	31,834	-
2003/04		31,834	-
2006/07		-	32,609
2007/08		-	31,804
2008/09		-	32,276
2009/10		32,974	-
2010/11		32,974	-
2011/12		-	33,153
2012/13		-	33,327

Data Source: City's website.

Age Distribution:

An important demographic characteristic relates to the age distribution of the City's population. An age profile is used by the City and other agencies in targeting services. St. Charles, similar to the national trend, has shown an upward trend in its median age from a 1970 level of 27.5 years to 37.91 years in 2012, the last year of available data. We expect this trend to continue through the next decade.

Racial Composition:

White	29,594
African American	833
American Indian, Eskimo, or Aleut	67
Asian or Pacific Islander	1,100
Other Race Alone (of any race)	<u>1,733</u>
2013 Estimate Population	Total 33,327

Unemployment Rates:

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
St. Charles	7.2%	5.3%	3.8%	3.7%	4.9%	7.7%	8.7%	9.0%	7.1%	7.7%
Illinois	5.8%	5.2%	5.2%	5.3%	7.2%	11.3%	9.3%	10.0%	8.7%	9.6%
United States	5.4%	4.8%	5.0%	4.9%	8.1%	10.4%	9.6%	8.3%	7.8%	7.4%

Data Source: www.bls.gov/

Top Employers in St. Charles

No. of Employees	Employer	Product or Service
1,426	St. Charles School District 303	Education K-12
750	Omron Electronics	Automotive relays and controls
620	R. R. Donnelly & Sons Co	Business Form Printing
475	System Sensor	Mfg. Commercial Detectors & fire Equipment
350	Armour – Eckrich Meats LLC	Sausage & Salami Processing
300	Pheasant Run Resort	Hotel and Conference center (golf course)
270	Jewel-Osco Stores	Grocery Store
250	Coca-Cola Bottling Co.,	Soft Drink Bottling & Distribution
235	City of St. Charles	Municipal government
225	Do Paco, Inc	Paperboard Carton
210	Dukane Corporation	Manufacture Sound & Communication 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.

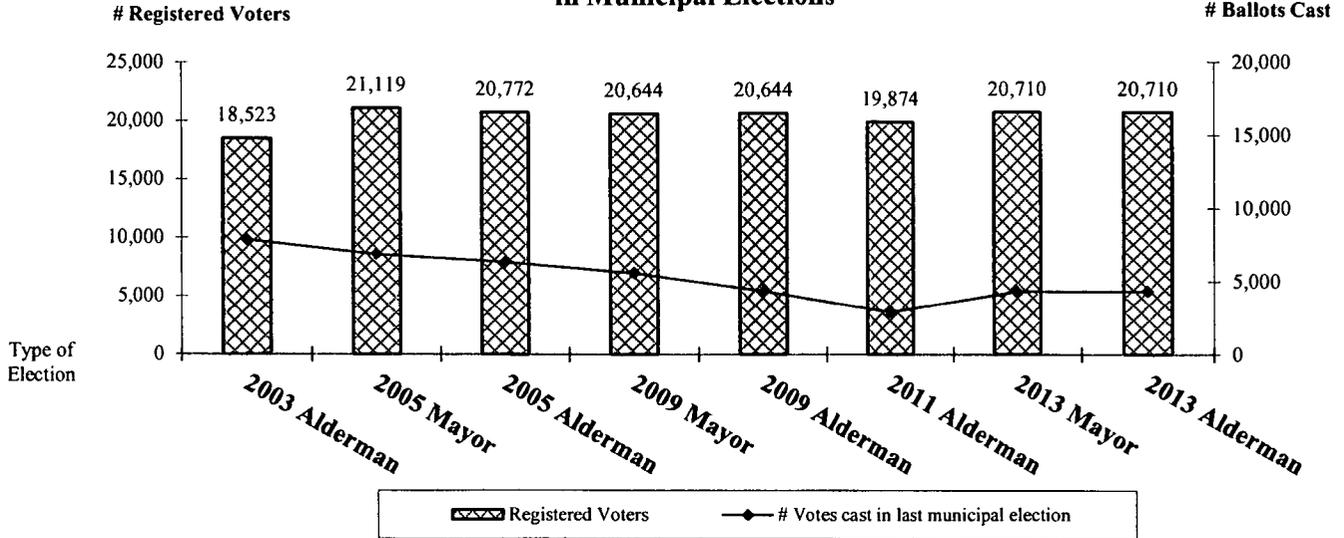


Occupational Categories

<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	46.1%	33.9%	43.6%	36.2%
Service occupations	14.1	15.5	12.9	17.2
Sales and office occupations	28.5	26.9	27.5	25.4
Construction, extraction, and maintenance	2.9	7.6	5.9	7.6
Production, transportation and material moving	<u>8.4</u>	<u>16.1</u>	<u>10.1</u>	<u>13.6</u>
TOTALS	100.0%	100.0%	100.0%	100.0%

Elections

History of Votes Cast in Municipal Elections

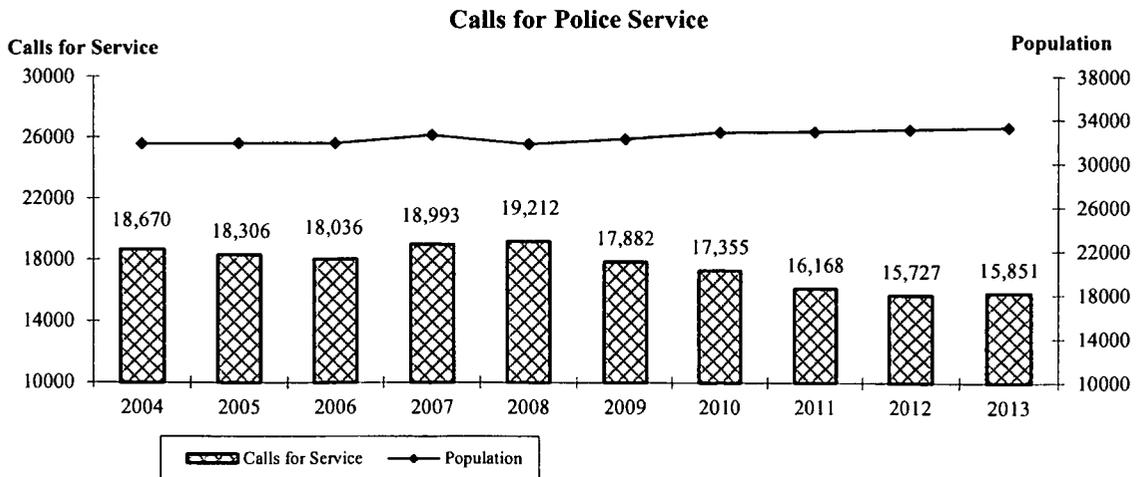


Data Source: Kane County Clerk.

Public Health & Safety

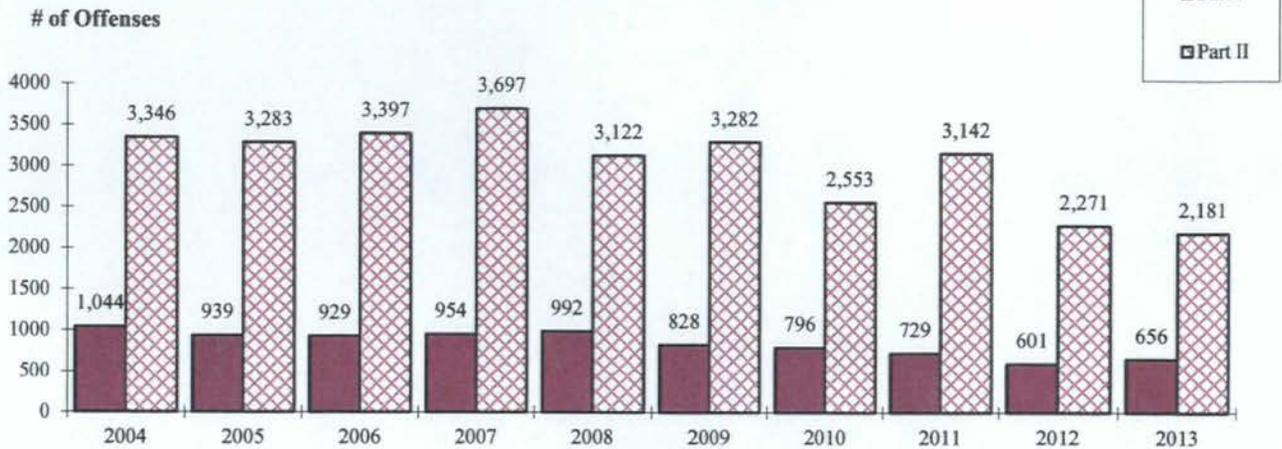
Police Protection:

Number of sworn officers -	Chief	1
	Deputy Chiefs	2
	Section Commanders	2
	Sergeants	6
	Detectives	6
	Patrol Officers	34
	<u>K-9</u>	<u>1</u>
		52



The City has experienced a steady decrease in calls for police service over the last several years.

Comparison of Part I and Part II Crimes



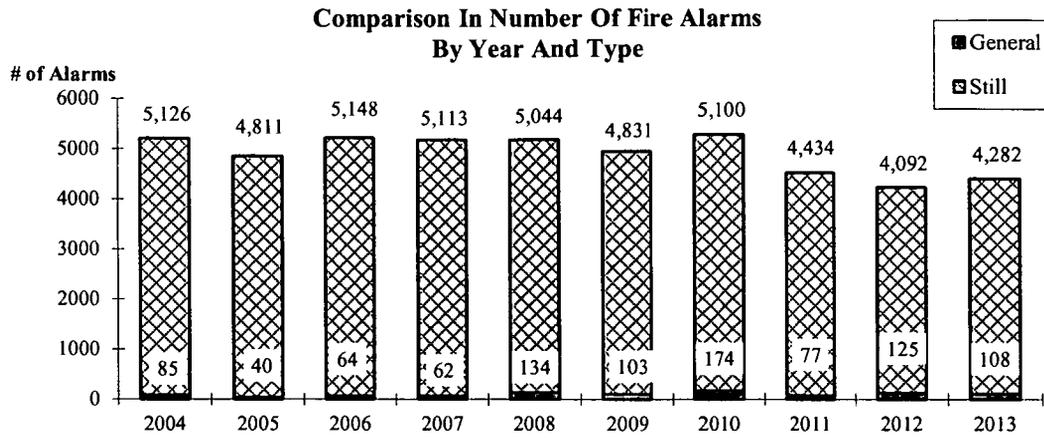
Part I and Part II crime categories are a national standard used to identify types of crime. Part I are generally more serious crimes involving a weapon such as armed robbery, whereas Part II crimes would be theft or battery committed with one's body. The FBI originally set these standards. The relationship 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	2
Lieutenants	10
<u>Firefighters</u>	<u>27</u>
	45
 # of EMA Personnel	 18

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



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

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

Data Source: Annual report – Fire Dept

Public Works

Street miles maintained (all paved)	
Residential	131.5
Industrial	11.9
County	9.5
State	<u>26.7</u>
Total	179.6
 # of Snow Routes	 19

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

Average daily pumpage	4,440,000
Gallon Capacity per day	
Outer-pressure	9,390,000
Inner pressure	3,600,000
# of Wells	7
Maximum Day Consumption	9,741,000

Wastewater (East and West Plants)

Gallons of wastewater – daily flow	4,788,427
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Water Pumped vs. Billed FY 12/13

In Thousands of Gallons

	Gallons Pumped	Gallons Billed	Difference	% of Difference
May	147,211	131,093	16,118	10.95%
June	190,644	168,015	22,629	11.87%
July	194,188	176,440	17,748	9.14%
August	161,274	145,325	15,949	9.89%
September	148,358	129,641	18,717	12.62%
October	125,726	112,788	12,938	10.29%
November	110,832	93,116	17,716	15.98%
December	108,538	94,955	13,583	12.51%
January	114,007	97,256	16,751	14.69%
February	99,387	86,183	13,204	13.29%
March	109,478	94,291	15,187	13.87%
April	110,994	94,081	16,913	15.24%
Total	1,620,637	1,423,184	197,453	12.18%

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.

Data Source: *Public Works-Fact Sheet*

Electric Utilities

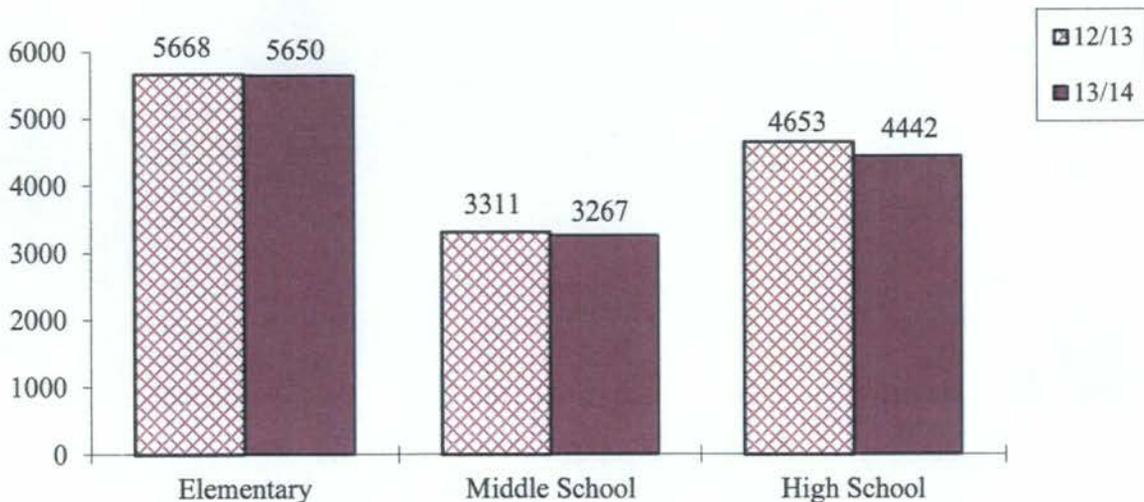
Number of Substations	8
Number of Customers	13,208
Average monthly kWh billed	45,028,661
Total KWh billed 2012/2013	540,343,933

Education

Number of public schools:

Elementary	12
Middle School	3
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	1,400	Books owned	226,650
Recreation centers	2	Registered patrons	26,205
Park District pools	2	Churches	12
Public Golf Courses	3	Community Centers	3
Miniature Golf Courses	1	Restaurants	117
Annual Park District Programs	1,700	Banquet Facilities	6
Cultural Arts Center	1	Hotel/Motel Rooms	2,402
Financial Institutions	18	Conference Center	2

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
2001/2002	7	5,780,000	21	28,044,192	441	28,117,192	1,618	93,749,090
2002/2003	7	5,534,505	15	19,268,000	533	68,639,874	1,375	21,365,771
2003/2004	1	580,000	11	16,940,000	315	49,522,109	1,870	105,941,733
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

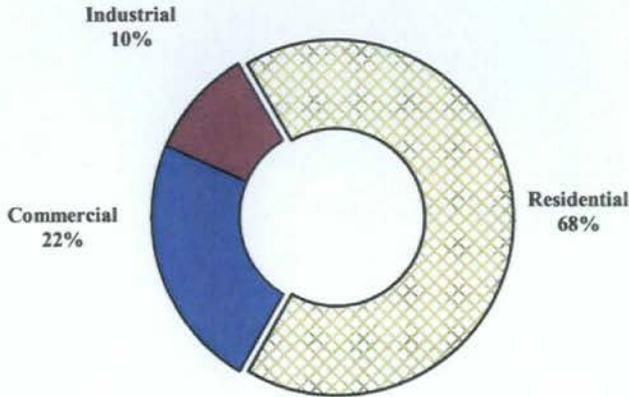
* This total is all residential dwelling units not number of permits.

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

Data Source: Building & Code Enforcement Dept

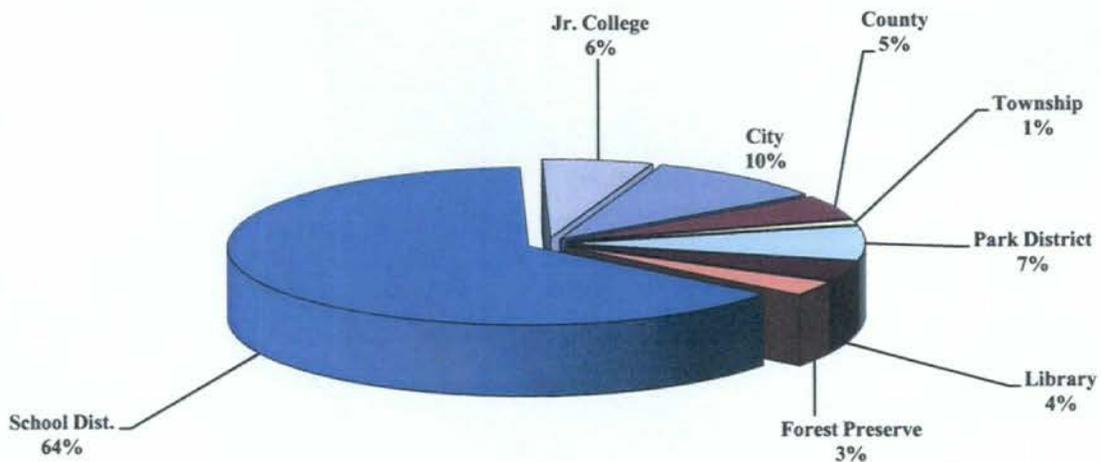
Property Taxes

**Land Use
Based on 2012 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
2012 Collected in 2013**



**2012 (Levy Year)
Typical Total Tax Rate**

City	\$0.8775
County	.4335
Forest Preserve	.2710
Township	.1282
Cemetery	.0152
Park District	.6056
Library	.3179
School District # 303	5.5199
Junior College # 509	<u>.5215</u>
	\$8.6903

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.



**2012 Municipal Property Tax Rate Comparison
In Same Local Area**

	<u>Municipal Tax Rate</u>	<u>Estimate City * Property Tax</u>
St. Charles	0.8774	\$ 847
Aurora	1.9912	1,922
Batavia	0.6958	671
Elgin	1.9344	1,867
Geneva	0.6783	655

* Based on \$300,000 property value.

2012 Top 10 Property Tax Payers

<u>Taxpayer</u>	<u>2012 Assessed Valuation</u>
Q Center LLC.	\$15,490,639
AML I at St. Charles	11,829,698
East Main Street Holding	6,635,011
St Charles Country Club	5,536,378
Meijer Stores Limited Partnership	5,566,261
Costco Wholesale Corp	5,359,933
Delnor Community Residential Living	5,233,910
R R Donnelly & Sons Co.,	5,057,217
American Small Business LLC	5,003,504
Covington Court Apartments	4,444,082

Data Source: Kane County Clerk office

Sales Tax Rates:

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

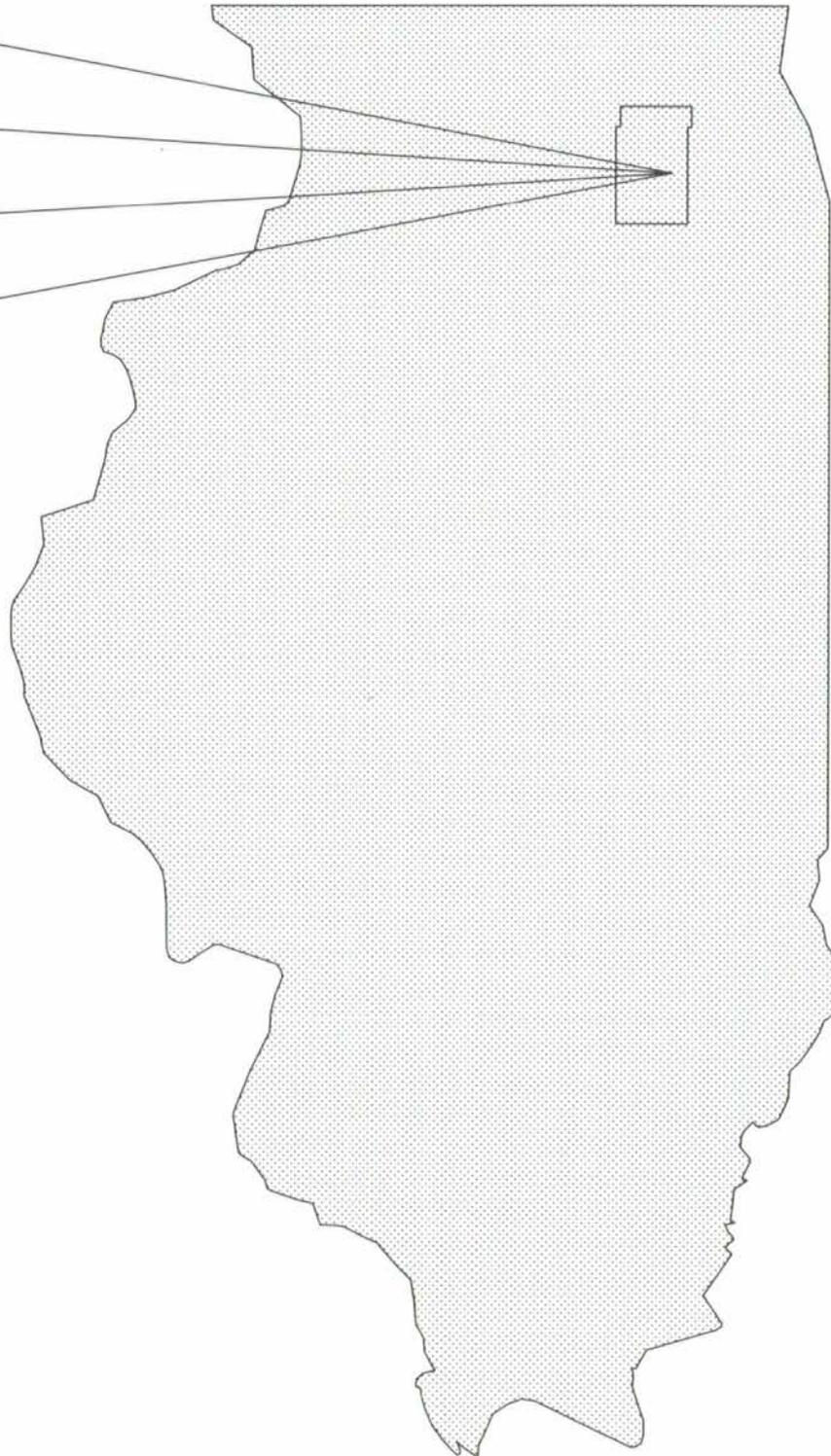
*Qualifying goods, drugs, medical at 1.25%. Titled vehicles are taxed at 7.0%; add 1.0% Chicago Home Rule Tax if a vehicle bought in St. Charles is registered in Chicago.

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

BUDGET BY FUND



ST. CHARLES
SINCE 1834



Budget Reports by Fund

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

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

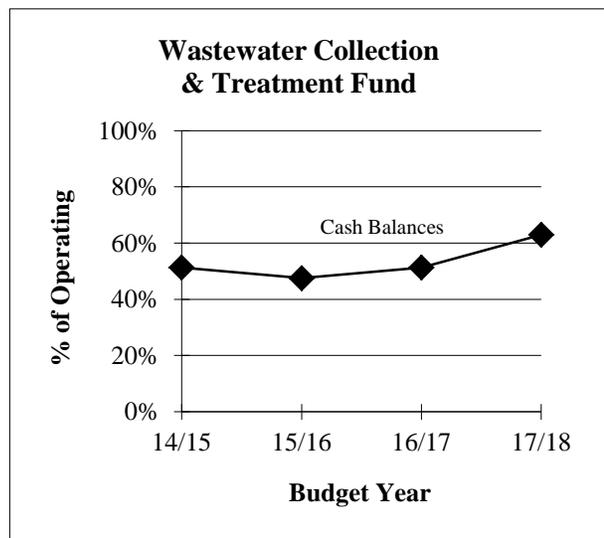
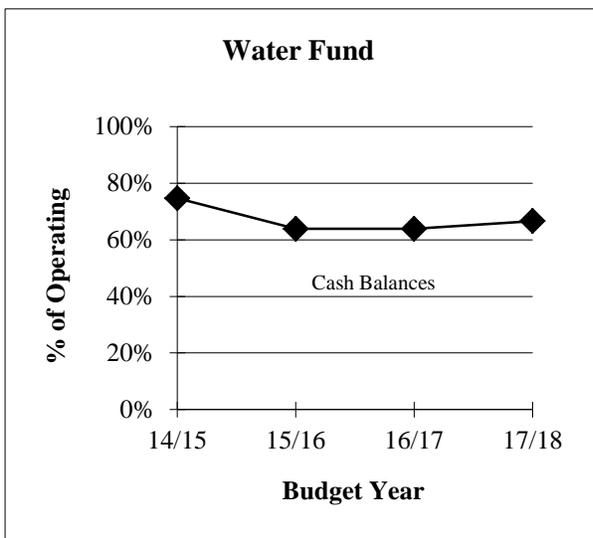
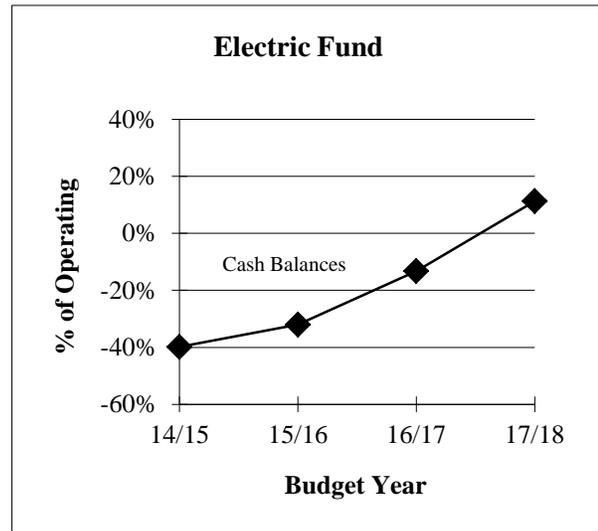
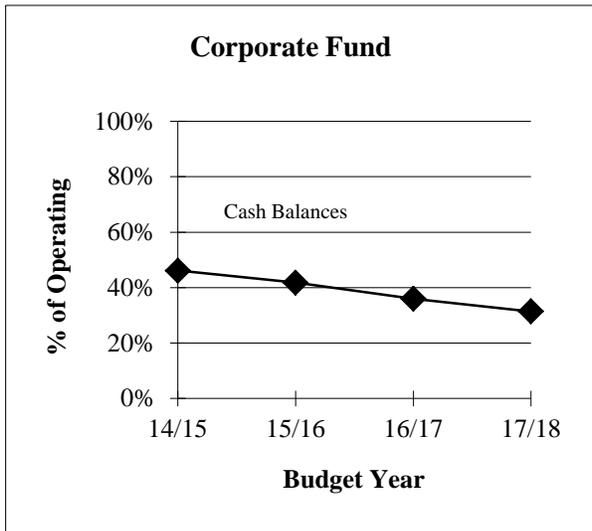
Projected Available

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 14/15 - 17/18

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



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

Fund	Projected Available Fund Balance 5/1/14	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/15
Corporate	\$17,195,742	\$40,674,096	\$35,444,453	\$180,000	\$6,327,878	\$16,277,507
Electric	(4,893,829)	59,189,458	59,191,683	279,664	524,945	(5,141,335)
Water	3,791,515	11,328,716	12,117,889		171,640	2,830,702
Sewer	3,473,735	8,218,824	8,495,525		322,950	2,874,084
Refuse	391,100	501,350	678,931	177,581		391,100
TIF Districts	156,019	1,787,858	0		1,630,721	313,156
Motor Fuel Tax	2,265,719	1,010,245	1,801,920			1,474,044
Police Pension	28,301,637	3,077,349	2,181,892			29,197,094
Fire Pension	30,816,251	2,524,992	1,234,120			32,107,123
Capital Projects	3,474,550	2,104,166	3,362,396	1,501,500	570,386	3,147,434
Debt Service	1,740,027	1,025,000	8,265,382	7,291,439		1,791,084
ISF-Inventory	0	4,168,005	3,813,139			354,866
ISF-Vehicles	4,585,128	2,461,612	2,336,385			4,710,355
ISF-Health Insurance	2,974,390	4,264,774	4,753,628			2,485,536
ISF-Liability & W/C	1,777,514	1,007,408	1,078,272	180,000		1,886,650
ISF-Communications	830,705	563,083	532,805		61,664	799,319
Totals	\$96,880,203	\$143,906,936	\$145,288,420	\$9,610,184	\$9,610,184	\$95,498,719

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

Fund	Projected Available Fund Balance 5/1/15	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/16
Corporate	\$16,277,507	\$40,987,451	\$36,310,330	\$185,000	\$6,040,315	\$15,099,313
Electric	(5,141,335)	63,775,642	62,723,240	285,164	497,246	(4,301,015)
Water	2,830,702	6,057,573	6,228,579		161,619	2,498,077
Sewer	2,874,084	11,033,312	10,855,060		304,435	2,747,901
Refuse	391,100	513,719	594,535	80,816		391,100
TIF Districts	313,156	1,806,448	0		1,651,788	467,816
Motor Fuel Tax	1,474,044	873,000	980,000			1,367,044
Police Pension	29,197,094	3,152,518	2,266,957			30,082,655
Fire Pension	32,107,123	2,594,415	1,265,281			33,436,257
Capital Projects	3,147,434	8,721,490	9,416,101	1,386,250	592,142	3,246,931
Debt Service	1,791,084	1,035,000	8,170,196	7,189,979		1,845,867
ISF-Inventory	354,866	4,216,279	3,859,094			712,051
ISF-Vehicles	4,710,355	2,536,882	2,683,800			4,563,437
ISF-Health Insurance	2,485,536	4,645,092	4,981,761			2,148,867
ISF-Liability & W/C	1,886,650	1,049,582	1,117,584	182,000		2,000,648
ISF-Communications	799,319	489,105	441,730		61,664	785,030
Totals	\$95,498,719	\$153,487,508	\$151,894,248	\$9,309,209	\$9,309,209	\$97,091,979

Fund Summary for Fiscal Year 2016/2017
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/16	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/17
Corporate	\$15,099,313	\$41,484,788	\$37,277,761	\$190,000	\$6,138,416	\$13,357,924
Electric	(4,301,015)	67,580,726	64,899,470	290,664	496,729	(1,825,824)
Water	2,498,077	8,800,763	8,553,698		161,116	2,584,026
Sewer	2,747,901	11,199,758	10,607,933		303,692	3,036,034
Refuse	391,100	526,431	715,553	189,122		391,100
TIF Districts	467,816	1,837,781	0		1,672,706	632,891
Motor Fuel Tax	1,367,044	873,000	980,000			1,260,044
Police Pension	30,082,655	3,239,351	2,326,659			30,995,347
Fire Pension	33,436,257	2,665,740	1,297,371			34,804,626
Capital Projects	3,246,931	8,693,277	9,915,335	1,911,000	636,788	3,299,085
Debt Service	1,845,867	1,045,000	7,709,263	6,705,325		1,886,929
ISF-Inventory	712,051	4,264,947	3,891,224			1,085,774
ISF-Vehicles	4,563,437	2,626,447	2,938,997			4,250,887
ISF-Health Insurance	2,148,867	5,019,886	5,208,478			1,960,275
ISF-Liability & W/C	2,000,648	1,122,322	1,168,396	185,000		2,139,574
ISF-Communications	785,030	478,309	402,718		61,664	798,957
Totals	\$97,091,979	\$161,458,526	\$157,892,856	\$9,471,111	\$9,471,111	\$100,657,649

Fund Summary for Fiscal Year 2017/2018
Projected Available Fund Balance

Fund	Projected Available Fund Balance 5/1/17	Estimated Revenue	Proposed Expenditure	In	Transfers Out	Projected Available Fund Balance 4/30/18
Corporate	\$13,357,924	\$42,087,637	\$38,286,819	\$195,000	\$5,373,493	\$11,980,249
Electric	(1,825,824)	72,125,138	68,489,990	296,389	498,125	1,607,588
Water	2,584,026	7,003,228	6,649,473		161,254	2,776,527
Sewer	3,036,034	10,938,335	9,835,241		304,175	3,834,953
Refuse	391,100	539,446	627,097	87,651		391,100
TIF Districts	632,891	1,875,590	0		1,433,618	1,074,863
Motor Fuel Tax	1,260,044	873,000	980,000			1,153,044
Police Pension	30,995,347	3,328,613	2,388,166			31,935,794
Fire Pension	34,804,626	2,739,059	1,330,426			36,213,259
Capital Projects	3,299,085	3,277,452	3,613,209	1,021,000	638,160	3,346,168
Debt Service	1,886,929	1,055,000	7,704,771	6,680,824		1,917,982
ISF-Inventory	1,085,774	4,296,962	3,976,430			1,406,306
ISF-Vehicles	4,250,887	2,709,831	2,227,161			4,733,557
ISF-Health Insurance	1,960,275	5,411,317	5,338,581			2,033,011
ISF-Liability & W/C	2,139,574	1,196,353	1,221,681	189,625		2,303,871
ISF-Communications	798,957	479,117	379,728		61,664	836,682
Totals	\$100,657,649	\$159,936,078	\$153,048,773	\$8,470,489	\$8,470,489	\$107,544,954

Revenues and Expenditures

by

Fund and Fund Type

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

**Budget Summary by Fund Type
Proposed Budget Year 2014/15**

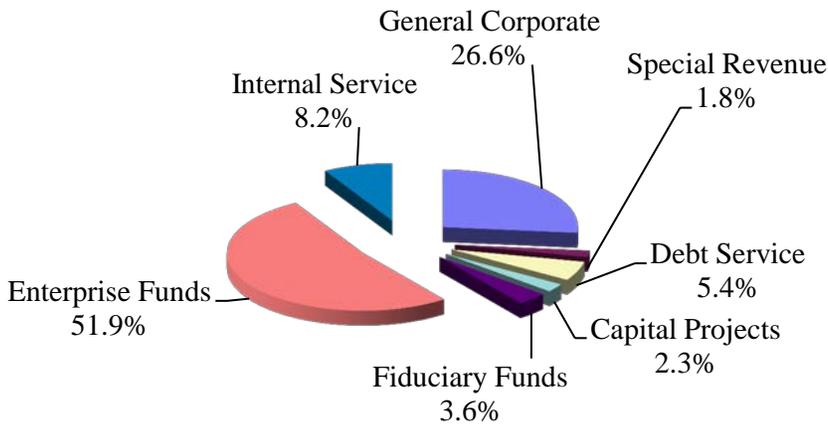
	General Corporate	Special Revenue	Debt Service	Capital Projects	Fiduciary Fund Types	Enterprise Funds	Internal Service	Total (Memorandum Only)
Revenues:								
Property Taxes	\$ 12,536,731	\$ 1,703,171	\$ -	\$ -	\$ -	\$ 30,669	\$ -	\$ 14,270,571
Sales & Use Taxes	15,283,515	31,201	1,025,000	-	-	-	-	16,339,716
Franchise Fees	3,606,972	-	-	-	-	-	-	3,606,972
Hotel Tax	1,795,056	52,911	-	-	-	-	-	1,847,967
Liquor Tax	1,031,770	-	-	-	-	-	-	1,031,770
Admission Tax	80,500	-	-	-	-	-	-	80,500
Telecommunications Tax	1,212,591	-	-	-	-	-	-	1,212,591
Licenses & Permits	525,398	-	-	-	-	-	-	525,398
Connection Fees	-	-	-	-	-	148,000	-	148,000
User Charges	-	-	-	-	-	70,543,125	334,941	70,878,066
Intergovernmental Revenue	3,492,714	-	-	565,000	-	-	-	4,057,714
Motor Fuel Tax	-	1,007,245	-	-	-	-	-	1,007,245
Reimbursement for Improvements	-	-	-	-	-	1,800	-	1,800
Reimbursement for Services	464,473	-	-	-	-	-	-	464,473
Pension Contributions	-	-	-	-	3,650,999	-	-	3,650,999
Fines & Court Fees	460,576	-	-	-	-	-	-	460,576
Interest Income	98,000	3,575	-	21,100	1,951,342	31,700	22,884	2,128,601
Charges to Other Funds	-	-	-	-	-	-	3,605,569	3,605,569
Sale of Property	-	-	-	-	-	-	3,000,000	3,000,000
Insurance Premiums	-	-	-	-	-	-	5,255,578	5,255,578
Financing Proceeds	-	-	-	1,518,066	-	7,117,000	-	8,635,066
Miscellaneous Revenue	85,800	-	-	-	-	1,366,054	245,910	1,697,764
Transfers In	180,000	-	7,291,439	1,501,500	-	457,245	180,000	9,610,184
Total Revenues	\$ 40,854,096	\$ 2,798,103	\$ 8,316,439	\$ 3,605,666	\$ 5,602,341	\$ 79,695,593	\$ 12,644,882	\$ 153,517,120
Expenditures/Expenses:								
General Government	\$ 3,251,741	\$ -	\$ 8,265,382	\$ 95,000	\$ -	\$ -	\$ 9,240,027	\$ 20,852,150
Public Health and Safety	21,694,327	-	-	130,500	3,416,012	678,931	467,004	26,386,774
Public Works	7,730,508	1,801,920	-	3,136,896	-	-	2,399,385	15,068,709
Public Utilities	-	-	-	-	-	79,805,097	402,809	80,207,906
Community Development	2,767,877	-	-	-	-	-	5,004	2,772,881
Transfers Out	6,327,878	1,630,721	-	570,386	-	1,019,535	61,664	9,610,184
Total Expenditures	\$ 41,772,331	\$ 3,432,641	\$ 8,265,382	\$ 3,932,782	\$ 3,416,012	\$ 81,503,563	\$ 12,575,893	\$ 154,898,604
Excess (Deficiency) of Revenues over Expenditures	\$ (918,235)	\$ (634,538)	\$ 51,057	\$ (327,116)	\$ 2,186,329	\$ (1,807,970)	\$ 68,989	\$ (1,381,484)
Beginning Fund Balance/ Net Assets	\$ 23,251,494	\$ (1,143,488)	\$ 2,133,016	\$ 3,289,759	\$ 59,117,888	\$ 90,551,122	\$ 16,840,914	\$ 194,040,705
Ending Fund Balance/ Net Assets	\$ 22,333,259	\$ (1,778,026)	\$ 2,184,073	\$ 2,962,643	\$ 61,304,217	\$ 88,743,152	\$ 16,909,903	\$ 192,659,221

Revenues and Expenditures by Fund Type

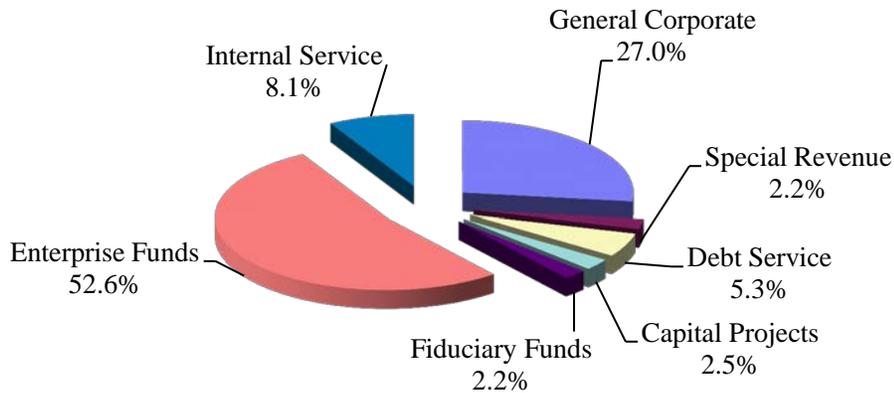
Proposed Budget Year 2014/15

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

Revenues - All Fund Types



Expenditures - All Fund Types



Description of Funds and Fund Types

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

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

All of the funds used by a government must be classified into one of seven “fund types”. Four of these fund types are used to account for a state or local government’s “governmental-type” activities and are known as “governmental funds”. Two of these fund types are used to account for a government’s “business-type” activities and are known as “proprietary funds”. Finally, the seventh fund type is reserved for 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 and other users for the replacement of all computer equipment, software and copiers for governmental funds.

Fiduciary Funds

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

Pension Trust Funds

Pension trust funds are used to manage pension plans.

Police and Firefighter’s Pension – provides for payment of retirement benefits. Funding comes from investment income, property tax, City contributions and employee contributions.

Agency Funds

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

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

Summary of Revenues and Expenditures (Expenses) All Funds

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected-----		
				FY 15/16	FY 16/17	FY 17/18
<u>Revenues</u>						
14,129,097	14,191,377	Property Taxes	14,270,571	14,290,407	14,324,873	14,369,456
15,784,687	16,055,300	Sales & Use Taxes	16,339,716	16,500,761	16,816,122	17,213,874
992,079	996,430	Liquor Tax	1,031,770	1,042,088	1,052,509	1,063,034
3,154,983	3,369,187	Franchise Fees	3,606,972	3,701,966	3,797,130	3,896,044
1,838,057	1,727,964	Hotel Occupation Tax	1,847,967	1,866,447	1,880,578	1,895,088
78,485	68,983	Admission Tax	80,500	80,815	81,132	81,768
1,221,476	1,188,421	Telecommunications Fee	1,212,591	1,205,000	1,205,000	1,205,000
444,620	488,694	Licenses & Permits	525,398	526,670	532,995	544,695
207,085	266,077	Connection Fees	148,000	118,000	124,200	130,900
64,086,998	68,724,380	User Charges	70,878,066	75,635,629	80,144,884	84,870,693
3,420,608	3,493,896	Intergovernmental Revenue	4,057,714	4,143,303	4,174,661	3,661,152
951,201	987,541	Motor Fuel Tax	1,007,245	870,000	870,000	870,000
238,385	194,770	Reimbursement for Improvements	1,800	1,800	1,800	1,800
620,020	313,718	Reimbursement for Services	464,473	452,197	456,519	463,165
3,161,486	3,259,888	Pension Contributions	3,650,999	3,746,653	3,844,835	3,945,592
422,550	449,680	Fines & Court Fees	460,576	468,087	471,600	479,250
4,997,756	2,153,490	Investment Income	2,128,601	2,168,490	2,223,523	2,279,597
3,551,814	2,970,527	Charges to Other Funds	3,605,569	3,726,208	3,860,422	3,973,027
2,284,304	2,504,409	Sale of Property	3,000,000	3,000,000	3,000,000	3,000,000
2,891,353	2,988,376	Miscellaneous Revenue	1,697,764	1,731,321	1,788,023	1,832,718
5,903,832	5,871,675	Insurance Premiums	5,255,578	5,678,076	6,125,613	6,591,073
48,745,146	12,343,663	Capital Financing Proceeds	8,635,066	12,533,590	14,682,107	7,568,152
179,126,022	144,608,446	Sub-Total	143,906,936	153,487,508	161,458,526	159,936,078
10,038,408	9,902,121	Transfers In	9,610,184	9,309,209	9,471,111	8,470,489
189,164,430	154,510,567	Total	153,517,120	162,796,717	170,929,637	168,406,567
<u>Expenditures/Expenses</u>						
56,281,581	20,062,078	General Government	20,852,150	21,364,653	21,052,646	21,313,836
24,662,397	25,119,100	Public Health and Safety	26,386,774	27,654,610	28,435,050	28,666,379
23,408,208	18,768,932	Public Works	15,068,709	20,355,771	21,647,979	15,414,126
70,732,041	85,602,723	Public Utilities	80,207,906	80,093,617	84,333,823	85,254,436
8,391,103	2,436,723	Community Development	2,772,881	2,425,597	2,423,358	2,399,996
183,475,330	151,989,556	Sub-Total	145,288,420	151,894,248	157,892,856	153,048,773
10,038,408	9,902,121	Transfers Out	9,610,184	9,309,209	9,471,111	8,470,489
193,513,738	161,891,677	Total	154,898,604	161,203,457	167,363,967	161,519,262
(4,349,308)	(7,381,110)	Excess (Deficiency) of Revenues over Expenditures/Expenses	(1,381,484)	1,593,260	3,565,670	6,887,305

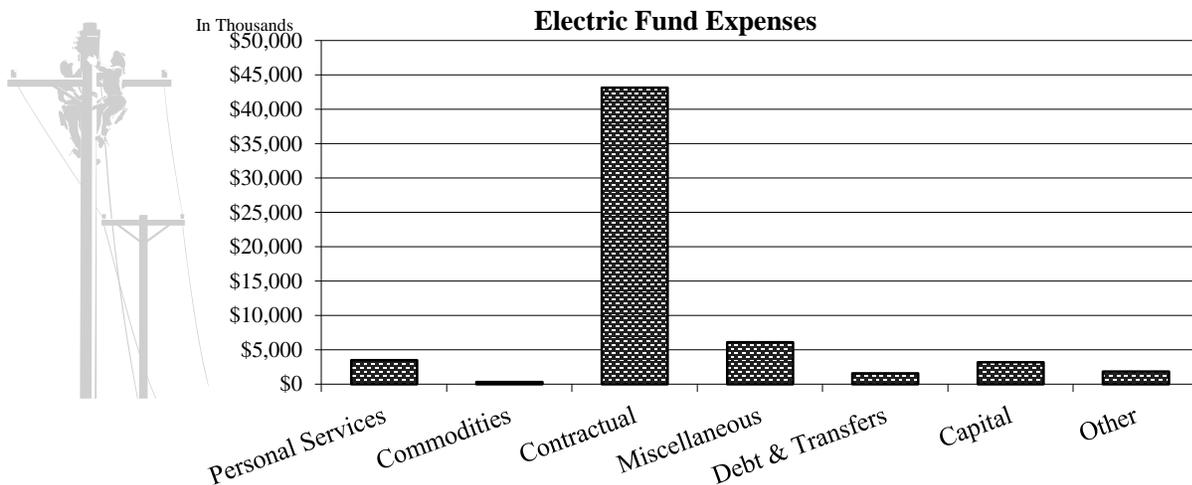
General Corporate Fund - This fund is used to account for most of the current day to day operations of the City which are financed through property taxes and other general revenues. Activities financed by the general fund include those of staff within the City, such as Police, Fire, Public Works Administration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

Actual	Estimate		Proposed	-----Projected-----		
FY 12/13	FY 13/14		FY 14/15	FY 15/16	FY 16/17	FY 17/18
		Revenues				
12,489,303	12,523,916	Property Taxes	12,536,731	12,538,360	12,541,724	12,548,835
14,650,913	14,906,518	Sales & Use Taxes	15,283,515	15,434,248	15,739,294	16,126,568
992,079	996,430	Liquor Tax	1,031,770	1,042,088	1,052,509	1,063,034
3,154,983	3,369,187	Franchise Fees	3,606,972	3,701,966	3,797,130	3,896,044
78,485	68,983	Admissions Taxes	80,500	80,815	81,132	81,768
1,778,810	1,671,844	Hotel Occupation Tax	1,795,056	1,813,007	1,826,604	1,840,304
1,221,476	1,188,421	Telecommunications Fee	1,212,591	1,205,000	1,205,000	1,205,000
444,620	488,694	Licenses & Permits	525,398	526,670	532,995	544,695
3,226,145	3,493,896	Intergovernmental Revenue	3,492,714	3,543,303	3,599,661	3,661,152
620,020	313,718	Reimbursement for Services	464,473	452,197	456,519	463,165
422,550	449,680	Fines & Court Fees	460,576	468,087	471,600	479,250
49,758	73,280	Investment Income	98,000	95,410	93,320	89,522
139,411	240,504	Miscellaneous Revenue	85,800	86,300	87,300	88,300
250,000	90,000	Transfers In	180,000	185,000	190,000	195,000
39,518,553	39,875,071	Total	40,854,096	41,172,451	41,674,788	42,282,637
		Expenditures				
		General Government				
3,954,567	4,151,811	Personal Services	4,148,962	4,254,798	4,404,408	4,557,812
1,746,118	2,054,459	Other Operating	1,946,071	2,050,338	2,029,249	2,029,981
(3,038,533)	(3,034,512)	Allocations to Other Funds	(2,910,144)	(2,969,868)	(3,064,620)	(3,152,663)
58,261	171,412	Capital	66,852	94,500	71,256	58,500
2,720,413	3,343,170	Sub-Total	3,251,741	3,429,768	3,440,293	3,493,630
		Public Health and Safety				
16,365,557	16,735,148	Personal Services	17,644,291	18,332,360	18,938,942	19,536,850
3,742,869	3,754,377	Other Operating	3,964,212	4,001,109	4,100,745	4,211,888
138,800	115,844	Capital	85,824	70,272	60,996	69,204
20,247,226	20,605,369	Sub-Total	21,694,327	22,403,741	23,100,683	23,817,942
		Public Works				
3,604,896	3,844,475	Personal Services	3,798,838	3,961,546	4,130,555	4,326,433
4,744,698	5,198,248	Other Operating	5,402,065	5,609,321	5,748,115	5,853,193
(1,581,458)	(1,432,044)	Allocations to Other Funds	(1,474,980)	(1,519,224)	(1,564,824)	(1,603,956)
20,452	9,514	Capital	0	0	0	0
4,586	4,585	Debt Retirement	4,585	4,585	4,585	4,585
6,793,174	7,624,778	Sub-Total	7,730,508	8,056,228	8,318,431	8,580,255
		Community Development				
1,710,559	1,626,866	Personal Services	1,603,544	1,657,253	1,714,024	1,779,753
1,086,820	1,060,596	Other Operating	1,521,213	1,130,912	1,083,854	1,004,255
(305,592)	(347,280)	Allocations to Other Funds	(357,732)	(368,424)	(379,524)	(389,016)
149,381	13,010	Capital	852	852	0	0
2,641,168	2,353,192	Sub-Total	2,767,877	2,420,593	2,418,354	2,394,992
		Transfers				
3,235,366	4,118,040	Transfers Out - Debt Service	4,250,797	4,167,749	3,624,294	3,840,492
2,417,216	2,406,687	Transfers Out - Other	2,077,081	1,872,566	2,514,122	1,533,001
5,652,582	6,524,727	Sub-Total	6,327,878	6,040,315	6,138,416	5,373,493
38,054,563	40,451,236	Total	41,772,331	42,350,645	43,416,177	43,660,312
		Excess (Deficiency) of				
1,463,990	(576,165)	Revenues over Expenditures	(918,235)	(1,178,194)	(1,741,389)	(1,377,675)
22,363,669	23,827,659	Beginning Fund Balance	23,251,494	22,333,259	21,155,065	19,413,676
23,827,659	23,251,494	Ending Fund Balance	22,333,259	21,155,065	19,413,676	18,036,001

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 13,208 residential and 2,204 commercial customers.

Actual	Estimate		Proposed	-----Projected-----		
FY 12/13	FY 13/14		FY 14/15	FY 15/16	FY 16/17	FY 17/18
		Revenues				
68,588	104,493	Connection Fees	58,000	28,000	33,200	38,400
52,142,394	56,445,485	User Charges	57,274,970	60,900,099	64,176,768	67,546,911
27,072	29,278	Property Taxes	30,669	31,129	31,752	32,704
(3,416)	(1,212)	Investment Income	0	0	0	0
237,980	194,770	Reimbursements for Improvements	800	800	800	800
868,219	690,274	Miscellaneous Revenue	705,019	715,614	738,206	756,323
949,025	638,270	Capital Financing Proceeds	1,120,000	2,100,000	2,600,000	3,750,000
301,715	285,893	Transfers In	279,664	285,164	290,664	296,389
54,591,577	58,387,251	Total	59,469,122	64,060,806	67,871,390	72,421,527
		Expenses				
		Public Utilities				
3,201,739	3,133,883	Personal Services	3,484,923	3,636,962	3,772,461	3,930,236
45,199,484	48,272,119	Other Operating	49,567,479	51,517,593	52,940,816	54,503,577
1,870,948	1,879,812	Allocations from Other Funds	1,868,272	1,920,468	1,979,352	2,032,740
2,888,192	3,489,533	Capital	3,193,000	4,590,240	4,989,000	6,606,996
1,051,776	1,147,176	Debt Retirement	1,078,009	1,057,977	1,217,841	1,416,441
54,212,139	57,922,523	Sub-Total	59,191,683	62,723,240	64,899,470	68,489,990
381,890	478,244	Transfers Out - Debt Service	524,945	497,246	496,729	498,125
381,890	478,244	Sub-Total	524,945	497,246	496,729	498,125
54,594,029	58,400,767	Total	59,716,628	63,220,486	65,396,199	68,988,115
		Excess (Deficiency) of				
(2,452)	(13,516)	Revenues over Expenses	(247,506)	840,320	2,475,191	3,433,412
46,487,888	47,326,833	Beginning Net Assets	47,313,317	47,065,811	47,906,131	50,381,322
1,121,778	0	Fixed Assets Adjustments	0	0	0	0
(280,381)	0	Debt Service Adjustments	0	0	0	0
47,326,833	47,313,317	Ending Net Assets	47,065,811	47,906,131	50,381,322	53,814,734

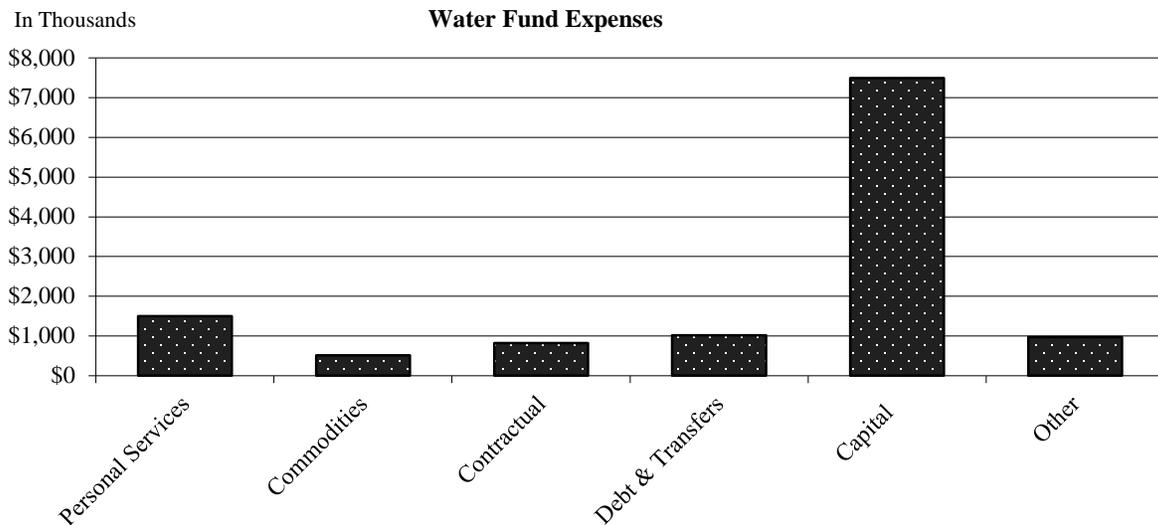
Electric service is supported almost entirely through user charges. Shown below is a graph of expenses for the electric fund budgeted for FY 14/15. The City entered into a contract to buy electric power from IMEA starting in June 2007. It constitutes approximately 79% of operating costs. Due to increasing wholesale power costs, a rate increase is proposed in each of the next 4 years.



Water Fund - The water fund is used to account for the acquisition, operation, and maintenance of City-owned water facilities. These facilities are self-supported by user charges. The operations of this fund are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. The City has 7 wells with an average daily pumpage of 4,440,000 gallons.

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected-----		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
60,492	62,629	Connection Fees	35,000	35,000	35,000	35,000
4,588,513	4,492,346	User Charges	4,985,201	5,483,701	6,032,051	6,635,261
16,509	65,270	Investment Income	17,150	16,150	15,500	16,900
340,950	979,720	Miscellaneous Revenue	294,365	300,122	307,832	316,067
838,665	109,432	Capital Financing Proceeds	5,997,000	222,600	2,410,380	0
0	0	Transfers In	0	0	0	0
5,845,129	5,709,397	Total	11,328,716	6,057,573	8,800,763	7,003,228
		<u>Expenses</u>				
		Public Utilities				
1,389,047	1,509,687	Personal Services	1,493,373	1,547,085	1,606,024	1,670,025
1,357,769	1,552,129	Other Operating	1,456,503	1,501,914	1,546,605	1,582,479
845,035	855,480	Allocations from Other Funds	838,207	861,480	888,216	912,684
1,875,979	4,972,304	Capital	7,487,183	1,033,956	3,210,384	1,080,000
727,989	836,437	Debt Retirement	842,623	1,284,144	1,302,469	1,404,285
6,195,819	9,726,037	Sub-Total	12,117,889	6,228,579	8,553,698	6,649,473
135,088	161,591	Transfers Out - Debt Service	171,640	161,619	161,116	161,254
6,330,907	9,887,628	Total	12,289,529	6,390,198	8,714,814	6,810,727
		Excess (Deficiency) of Revenues over Expenses	(960,813)	(332,625)	85,949	192,501
20,163,902	20,304,911	Beginning Net Assets	16,126,680	15,165,867	14,833,242	14,919,191
970,118	0	Fixed Assets Adjustments	0	0	0	0
(343,331)	0	Debt Service Adjustments	0	0	0	0
20,304,911	16,126,680	Ending Net Assets	15,165,867	14,833,242	14,919,191	15,111,692

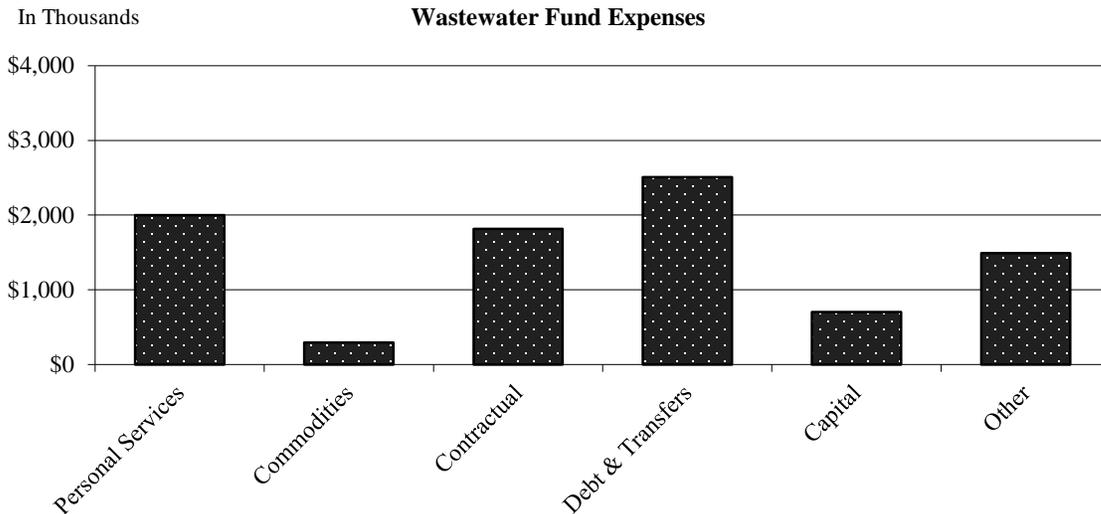
Shown below are the expenditures for the budget year 14/15. Rate increases are proposed for the next four fiscal years.



Wastewater Fund - The wastewater fund is used to account for the acquisition, operation, and maintenance of City-owned wastewater facilities. This includes sewage treatment and sanitary sewers. The fund is self-supported by user charges. The operations of this fund are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises. There is an average daily flow of 4,800,000 of wastewater with a capacity of 9,700,000.

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected-----		
				FY 15/16	FY 16/17	FY 17/18
		Revenues				
78,005	98,955	Connection Fees	55,000	55,000	56,000	57,500
6,707,710	7,070,086	User Charges	7,801,654	8,497,947	9,181,344	9,921,610
15,727	13,050	Investment Income	14,000	14,000	14,250	14,350
405	0	Reimbursements for Improvements	1,000	1,000	1,000	1,000
333,599	337,155	Miscellaneous	347,170	360,365	380,814	393,875
1,876,302	7,905,300	Capital Financing Proceeds	0	2,105,000	1,566,350	550,000
9,011,748	15,424,546	Total	8,218,824	11,033,312	11,199,758	10,938,335
		Expenses				
		Public Utilities				
1,889,957	1,945,438	Personal Services	2,001,699	2,082,602	2,174,693	2,256,924
2,810,084	2,436,225	Other Operating	2,347,974	2,404,841	2,409,882	2,467,620
1,251,308	1,261,860	Allocations from Other Funds	1,257,275	1,292,148	1,331,664	1,367,544
2,607,183	10,411,201	Capital	702,000	2,893,451	2,245,788	1,177,200
1,537,467	1,552,830	Debt Retirement	2,186,577	2,182,018	2,445,906	2,565,953
10,095,999	17,607,554	Sub-Total	8,495,525	10,855,060	10,607,933	9,835,241
246,094	300,358	Transfers Out - Debt Service	322,950	304,435	303,692	304,175
73,075	0	Transfers Out - Other	0	0	0	0
319,169	300,358	Sub-Total	322,950	304,435	303,692	304,175
10,415,168	17,907,912	Total	8,818,475	11,159,495	10,911,625	10,139,416
		Excess (Deficiency) of Revenues over Expenses	(599,651)	(126,183)	288,133	798,919
(1,403,420)	(2,483,366)	Beginning Net Assets	26,636,410	26,036,759	25,910,576	26,198,709
30,363,360	29,119,776	Fixed Assets Adjustments	0	0	0	0
910,478	0	Debt Service Adjustments	0	0	0	0
(750,642)	0	Ending Net Assets	26,036,759	25,910,576	26,198,709	26,997,628
29,119,776	26,636,410					

Shown below is a graph of the expenditures for the wastewater fund for budget year 14/15. The wastewater fund has outstanding debt in the amount of \$20,634,214. \$16,616,956 of this is on the EPA projects. Rate increases are projected for each of the next four fiscal years.

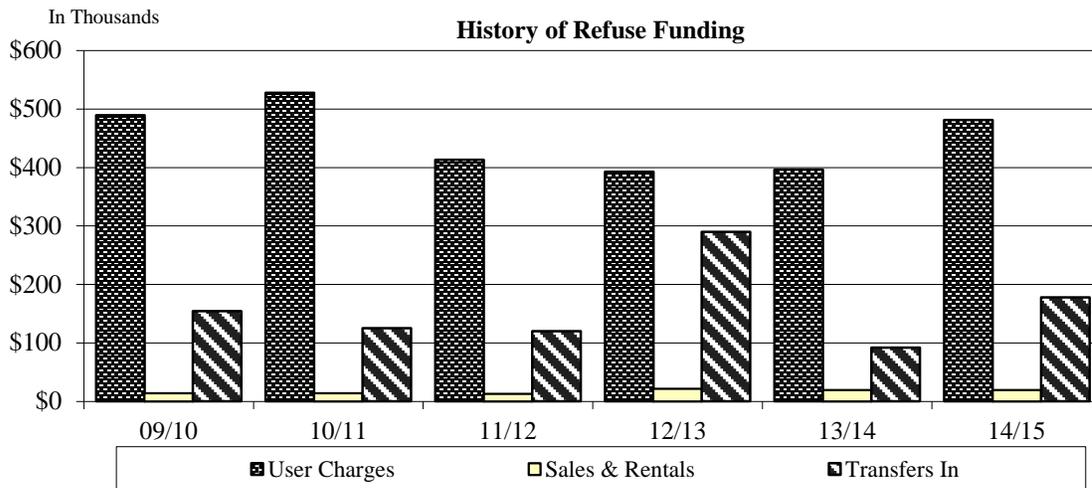


Refuse Fund - The refuse fund is an enterprise fund used to account for the City's refuse disposal program. The fund is supported through user charges, a portion of refuse bag sales, rental income and operating transfers from the general fund. Various programs are run through the refuse fund including brush pickup and leaf pickup. The budget reflects a biennial schedule for the Spring Clean-up Program. Additionally an increase to the Yard Waste Fee is proposed for FY 14/15. St. Charles encourages recycling.



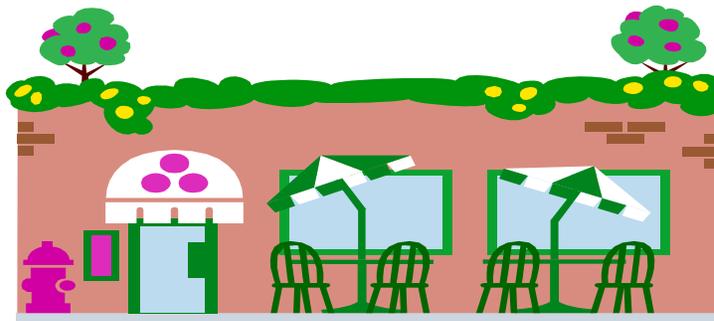
Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected----- FY 15/16	FY 16/17	FY 17/18
Revenues						
392,687	395,991	User Charges	481,300	493,544	506,131	519,021
753	505	Investment Income	550	575	600	625
5,080	6,600	Rental Income	6,600	6,600	6,600	6,600
16,358	12,598	Miscellaneous	12,900	13,000	13,100	13,200
290,000	92,000	Transfers In	177,581	80,816	189,122	87,651
704,878	507,694	Total	678,931	594,535	715,553	627,097
Expenses						
Public Health and Safety						
522,410	416,473	Other Operating	596,100	508,744	626,731	535,240
87,081	89,124	Allocations from Other Funds	82,831	85,791	88,822	91,857
609,491	505,597	Total	678,931	594,535	715,553	627,097
95,387	2,097	Excess (Deficiency) of Revenues over Expenses	0	0	0	0
377,231	472,618	Beginning Net Assets	474,715	474,715	474,715	474,715
0	0	Fixed Assets Adjustments	0	0	0	0
472,618	474,715	Ending Net Assets	474,715	474,715	474,715	474,715

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 and Lexington Club Development.

Actual	Estimate		Proposed	-----Projected-----		
FY 12/13	FY 13/14		FY 14/15	FY 15/16	FY 16/17	FY 17/18
		Revenues				
170,812	172,520	Property Taxes - Hotel Baker TIF	180,752	182,559	184,385	187,150
456,069	460,630	Property Taxes - Moline TIF	491,217	496,129	501,090	508,606
167,878	167,878	Property Taxes - Mall TIF	167,342	169,015	170,706	173,266
625,395	644,155	Property Taxes - First Street TIF	656,202	663,480	683,384	703,886
192,568	193,000	Property Taxes - St. Charles Mfg. TIF	207,658	209,735	211,832	215,009
33,096	28,458	Sales & Use Taxes	31,201	31,513	31,828	32,306
59,247	56,120	Hotel Occupation Tax	52,911	53,440	53,974	54,784
1,102	581	Investment Income	575	577	582	583
1,706,167	1,723,342	Total	1,787,858	1,806,448	1,837,781	1,875,590
		Expenditures				
		Transfers				
355,253	305,494	Transfers Out - Hotel Baker TIF	264,928	267,577	270,252	0
337,638	336,156	Transfers Out - Moline TIF	334,388	341,776	336,326	341,250
221,749	167,951	Transfers Out - Mall TIF	167,378	169,052	170,742	173,303
1,454,373	658,231	Transfers Out - First Street TIF	656,325	663,604	683,509	704,011
318,247	193,108	Transfers Out - St. Charles Mfg. TIF	207,702	209,779	211,877	215,054
2,687,260	1,660,940	Total	1,630,721	1,651,788	1,672,706	1,433,618
		Excess (Deficiency) of				
(981,093)	62,402	Revenues over Expenditures	157,137	154,660	165,075	441,972
(2,547,222)	(3,528,315)	Beginning Fund Balance	(3,465,913)	(3,308,776)	(3,154,116)	(2,989,041)
(3,528,315)	(3,465,913)	Ending Fund Balance	(3,308,776)	(3,154,116)	(2,989,041)	(2,547,069)

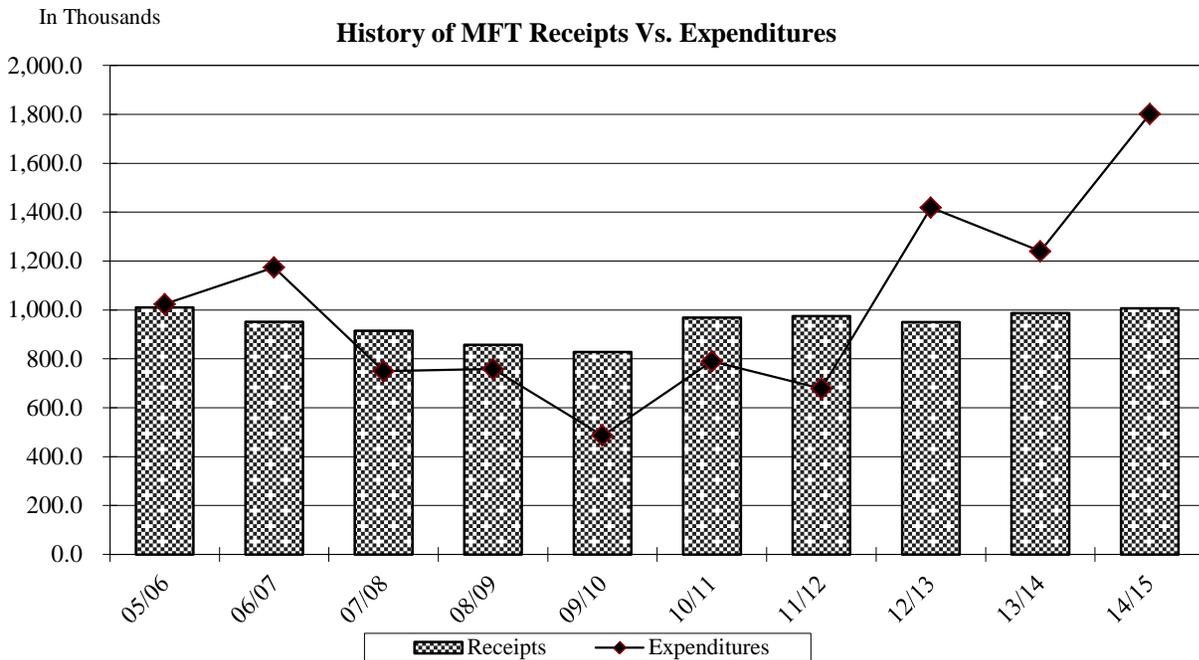


At this time the City has established six TIF districts for the Hotel Baker, the Moline Foundry, the St. Charles Mall, the First Street Development, St. Charles Manufacturing and Lexington Club Development. A TIF - Tax Increment Financing District - is established to encourage redevelopment of a deteriorating 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, the newest 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. The TIF contemplates reimbursement to the developer for three purposes related to the Lexington Club development: demolition, site earthwork preparation, and environmental remediation. There are no payments to the Lexington Club TIF currently budgeted.

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

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected----- FY 15/16	FY 16/17	FY 17/18
Revenues						
951,201	987,541	Motor Fuel Tax	1,007,245	870,000	870,000	870,000
6,127	2,745	Investment Income	3,000	3,000	3,000	3,000
99,144	0	Transfers In	0	0	0	0
1,056,472	990,286	Total	1,010,245	873,000	873,000	873,000
Expenditures						
Public Works						
1,418,681	1,240,126	Capital	1,801,920	980,000	980,000	980,000
1,418,681	1,240,126	Total	1,801,920	980,000	980,000	980,000
(362,209)	(249,840)	Excess (Deficiency) of Revenues over Expenditures	(791,675)	(107,000)	(107,000)	(107,000)
2,934,474	2,572,265	Beginning Fund Balance	2,322,425	1,530,750	1,423,750	1,316,750
2,572,265	2,322,425	Ending Fund Balance	1,530,750	1,423,750	1,316,750	1,209,750

The amount of motor fuel tax distributed is based on a per capita amount determined by the state. The amount per capita has grown from \$14.45 in 1984 to \$24.30 projected for FY 14/15. This revenue stream is also influenced by overall gasoline consumption in the state.



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

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected-----		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
2,389,385	692,298	Investment Income	1,100,350	1,123,740	1,157,436	1,192,164
1,226,047	1,317,164	Contributions from City	1,506,999	1,544,674	1,583,291	1,622,873
485,647	463,216	Contributions from Members	470,000	484,104	498,624	513,576
4,101,079	2,472,678	Total	3,077,349	3,152,518	3,239,351	3,328,613
		<u>Expenses</u>				
		Public Health and Safety				
1,903,085	1,882,050	Personal Services	1,945,140	2,023,092	2,075,484	2,129,460
254,681	249,850	Other Operating	236,752	243,865	251,175	258,706
2,157,766	2,131,900	Total	2,181,892	2,266,957	2,326,659	2,388,166
1,943,313	340,778	Excess (Deficiency) of Revenues over Expenses	895,457	885,561	912,692	940,447
26,017,546	27,960,859	Beginning Fund Balance Reserved for Retirement Obligations	28,301,637	29,197,094	30,082,655	30,995,347
27,960,859	28,301,637	Ending Fund Balance Reserved for Retirement Obligations	29,197,094	30,082,655	30,995,347	31,935,794

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	(1) Actuarial Value of Assets	(2) Actuarial Accrued 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,							
2008	\$ 23,161,216	\$ 35,954,632	64.42%	\$ 12,793,416	\$ 4,196,313		304.87%
2009	20,229,933	37,767,555	53.56%	17,537,622	4,359,694		402.27%
2010	23,519,175	38,049,970	61.81%	14,530,795	4,048,323		358.93%
2011	26,127,210	40,279,564	64.86%	14,152,354	4,212,817		335.94%
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%

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

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected-----		
				FY 15/16	FY 16/17	FY 17/18
		Revenues				
2,453,272	1,267,353	Investment Income	850,992	876,540	902,820	929,916
986,731	998,068	Contributions from City	1,239,000	1,269,975	1,301,724	1,334,267
463,061	481,440	Contributions from Members	435,000	447,900	461,196	474,876
3,903,064	2,746,861	Total	2,524,992	2,594,415	2,665,740	2,739,059
		Expenses				
		Public Health and Safety				
1,046,933	1,057,091	Personal Services	1,016,364	1,041,000	1,066,356	1,092,480
223,620	200,000	Other Operating	217,756	224,281	231,015	237,946
1,270,553	1,257,091	Total	1,234,120	1,265,281	1,297,371	1,330,426
2,632,511	1,489,770	Excess (Deficiency) of Revenues over Expenses	1,290,872	1,329,134	1,368,369	1,408,633
26,693,970	29,326,481	Beginning Fund Balance Reserved for Retirement Obligations	30,816,251	32,107,123	33,436,257	34,804,626
29,326,481	30,816,251	Ending Fund Balance Reserved for Retirement Obligations	32,107,123	33,436,257	34,804,626	36,213,259

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 Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
April 30, 2008	\$ 19,935,936	\$ 24,126,380	82.63%	\$ 4,190,444	\$ 4,325,654	96.87%
2009	18,461,621	26,293,219	70.21%	7,831,598	4,260,854	183.80%
2010	22,478,824	28,088,702	80.03%	5,609,878	4,080,399	137.48%
2011	26,118,295	30,718,257	85.03%	4,599,962	4,237,873	108.54%
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%

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

Red Gate Bridge Capital Project - This fund accounts for the design and construction costs of the Red Gate Bridge which was completed in May 2013. Construction was financed through state and federal grants and a bond issue supported by a 5 cent property tax.

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u>		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
17,533	7,760	Investment Income	8,000	4,000	2,000	0
4,923,391	0	Capital Financing Proceeds	0	0	0	0
726,596	692,079	Transfers In - Property Tax	680,000	680,000	680,000	680,000
5,667,520	699,839	Total	688,000	684,000	682,000	680,000
		<u>Expenditures</u>				
		Public Works				
106,900	6,636	Other Operating	3,767	3,861	3,958	4,057
8,733,800	235,875	Capital	0	0	0	0
8,840,700	242,511	Sub-Total	3,767	3,861	3,958	4,057
0	328,812	Transfers Out - Debt Service	570,386	592,142	636,788	638,160
8,840,700	571,323	Total	574,153	596,003	640,746	642,217
(3,173,180)	128,516	Excess (Deficiency) of Revenue over Expenditures	113,847	87,997	41,254	37,783
4,260,171	1,086,991	Beginning Fund Balance	1,215,507	1,329,354	1,417,351	1,458,605
1,086,991	1,215,507	Ending Fund Balance	1,329,354	1,417,351	1,458,605	1,496,388

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

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u>		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
194,463	0	Intergovernmental Revenue	565,000	600,000	575,000	0
10,755	7,998	Investment Income	8,100	8,500	8,900	9,300
903,781	436,243	Miscellaneous Revenue	0	0	0	0
2,731,287	3,690,661	Capital Financing Proceeds	1,518,066	8,105,990	8,105,377	3,268,152
965,200	1,219,500	Transfers In	821,500	706,250	1,231,000	341,000
4,805,486	5,354,402	Total	2,912,666	9,420,740	9,920,277	3,618,452
		<u>Expenditures</u>				
		General Government				
220,661	349,259	Capital	95,000	226,250	105,000	105,000
220,661	349,259	Sub-Total	95,000	226,250	105,000	105,000
		Public Health & Safety				
80,687	110,018	Capital	130,500	410,000	20,000	20,000
80,687	110,018	Sub-Total	130,500	410,000	20,000	20,000
		Public Works				
31,287	64,725	Other Operating	0	0	0	0
4,447,735	7,617,135	Capital	3,133,129	8,775,990	9,786,377	3,484,152
4,479,022	7,681,860	Sub-Total	3,133,129	8,775,990	9,786,377	3,484,152
		Community Development				
235,609	0	Capital	0	0	0	0
235,609	0	Sub-Total	0	0	0	0
5,015,979	8,141,137	Total	3,358,629	9,412,240	9,911,377	3,609,152
(210,493)	(2,786,735)	Excess (Deficiency) of Revenue over Expenditures	(445,963)	8,500	8,900	9,300
3,469,038	3,258,545	Beginning Fund Balance	471,810	25,847	34,347	43,247
3,258,545	471,810	Ending Fund Balance	25,847	34,347	43,247	52,547

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

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u>		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
19,463	5,353	Investment Income	5,000	3,000	2,000	0
0	0	Miscellaneous Revenue	0	0	0	0
19,463	5,353	Total	5,000	3,000	2,000	0
		<u>Expenditures</u>				
		Community Development				
4,935	11,056	Other Operating	0	0	0	0
16,000	0	Capital	0	0	0	0
5,490,000	0	Debt Retirement	0	0	0	0
5,510,935	11,056	Sub-Total	0	0	0	0
0	385,785	Transfers Out - Debt Service	0	0	0	0
5,510,935	396,841	Total	0	0	0	0
		Excess (Deficiency) of				
(5,491,472)	(391,488)	Revenue over Expenditures	5,000	3,000	2,000	0
7,485,402	1,993,930	Beginning Fund Balance	1,602,442	1,607,442	1,610,442	1,612,442
1,993,930	1,602,442	Ending Fund Balance	1,607,442	1,610,442	1,612,442	1,612,442

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

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u>		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
292	0	Investment Income	0	0	0	0
292	0	Total	0	0	0	0
		<u>Expenditures</u>				
550,755	0	Transfers Out	0	0	0	0
550,755	0	Total	0	0	0	0
		Excess (Deficiency) of				
(550,463)	0	Revenue over Expenditures	0	0	0	0
550,463	0	Beginning Fund Balance	0	0	0	0
0	0	Ending Fund Balance	0	0	0	0

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

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u>		
				FY 15/16	FY 16/17	FY 17/18
		Revenues				
1,100,678	1,120,324	Sales & Use Taxes	1,025,000	1,035,000	1,045,000	1,055,000
118	101	Investment Income	0	0	0	0
37,426,476	0	Financing Proceeds/Refunded Debt	0	0	0	0
7,236,453	7,343,770	Transfers In	7,291,439	7,189,979	6,705,325	6,680,824
45,763,725	8,464,195	Total	8,316,439	8,224,979	7,750,325	7,735,824
		Expenditures				
		General Government				
449,060	13,139	Other Operating	4,100	4,100	4,100	4,203
45,142,498	8,331,151	Debt Retirement/Refunded	8,261,282	8,166,096	7,705,163	7,700,568
45,591,558	8,344,290	Total	8,265,382	8,170,196	7,709,263	7,704,771
172,167	119,905	Excess (Deficiency) of				
		Revenues over Expenditure	51,057	54,783	41,062	31,053
1,840,944	2,013,111	Beginning Fund Balance	2,133,016	2,184,073	2,238,856	2,279,918
		Reserved for Debt Service				
2,013,111	2,133,016	Ending Fund Balance	2,184,073	2,238,856	2,279,918	2,310,971
		Reserved for Debt Service				

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

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

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u>		
				FY 15/16	FY 16/17	FY 17/18
		Revenues				
2,259,305	2,429,337	Items for Resale	3,000,000	3,000,000	3,000,000	3,000,000
(623)	(225)	Investment Income	0	0	0	0
27,117	27,322	Miscellaneous Revenue	20,152	22,549	23,468	24,446
1,132,825	778,889	Charges to Other Funds	1,147,853	1,193,730	1,241,479	1,272,516
3,418,624	3,235,323	Total	4,168,005	4,216,279	4,264,947	4,296,962
		Expenses				
		General Government				
461,110	451,823	Personal Services	411,187	475,147	494,716	513,029
2,308,943	2,536,067	Other Operating	3,093,456	3,088,759	3,090,544	3,092,913
371,181	344,342	Allocations from Other Funds	303,240	294,432	305,964	315,492
2,549	859	Capital	5,256	756	0	54,996
3,143,783	3,333,091	Total	3,813,139	3,859,094	3,891,224	3,976,430
274,841	(97,768)	Excess (Deficiency) of				
		Revenues over Expenses	354,866	357,185	373,723	320,532
3,118,484	3,390,446	Beginning Net Assets	3,292,678	3,647,544	4,004,729	4,378,452
(2,879)	0	Fixed Assets Adjustments	0	0	0	0
3,390,446	3,292,678	Ending Net Assets	3,647,544	4,004,729	4,378,452	4,698,984

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

<u>Actual</u> FY 12/13	<u>Estimate</u> FY 13/14		<u>Proposed</u> FY 14/15	<u>-----Projected-----</u> FY 15/16	FY 16/17	FY 17/18
		Revenues				
1,097,339	949,190	Vehicle Replacement	962,227	990,373	1,019,378	1,049,242
8,492	4,989	Investment Income	5,400	5,500	5,600	5,700
1,295,375	1,216,176	Charges to Other Funds	1,469,217	1,515,833	1,573,293	1,624,997
24,999	75,072	Sale of Fixed Assets	0	0	0	0
34,207	41,561	Miscellaneous	24,768	25,176	28,176	29,892
0	0	Transfers In	0	0	0	0
2,460,412	2,286,988	Total	2,461,612	2,536,882	2,626,447	2,709,831
		Expenses				
		General Government				
0	0	Capital	24,996	0	0	0
0	0	Sub-Total	24,996	0	0	0
		Public Health and Safety				
354,248	380,139	Capital	102,000	339,096	584,784	72,000
354,248	380,139	Sub-Total	102,000	339,096	584,784	72,000
		Public Works				
647,225	639,759	Personal Services	727,899	755,182	789,899	823,957
556,016	605,301	Other Operating	579,810	596,918	614,838	630,177
378,068	261,516	Allocations from Other Funds	267,684	274,104	281,976	289,031
30,199	327,082	Capital	633,996	718,500	667,500	411,996
1,611,508	1,833,658	Sub-Total	2,209,389	2,344,704	2,354,213	2,155,161
		Community Development				
0	71,367	Capital	0	0	0	0
0	71,367	Sub-Total	0	0	0	0
0	0	Transfers Out - Debt Service	0	0	0	0
1,965,756	2,285,164	Total	2,336,385	2,683,800	2,938,997	2,227,161
494,656	1,824	Excess (Deficiency) of Revenues over Expenses	125,227	(146,918)	(312,550)	482,670
7,399,647	7,650,189	Beginning Net Assets	7,652,013	7,777,240	7,630,322	7,317,772
(244,114)	0	Fixed Asset Adjustments	0	0	0	0
7,650,189	7,652,013	Ending Net Assets	7,777,240	7,630,322	7,317,772	7,800,442



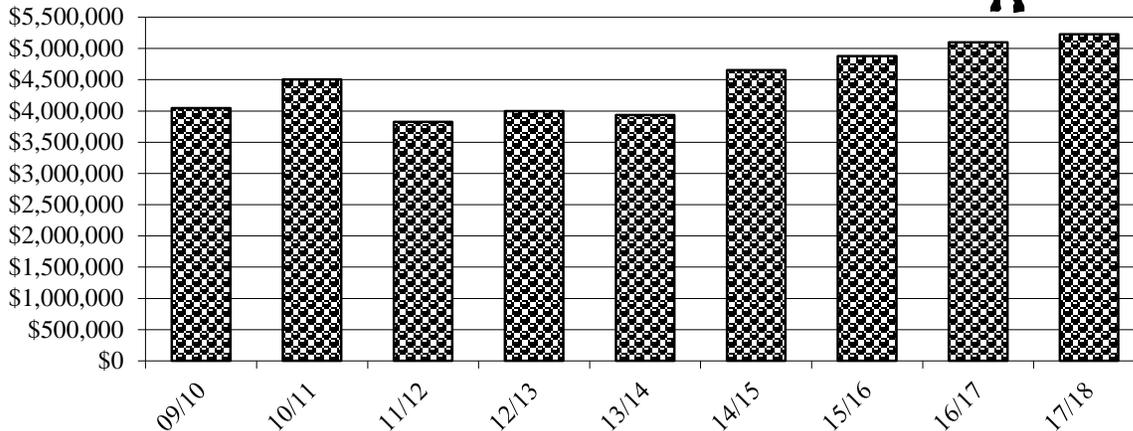
ISF - Health Insurance - The City is self-insured and this fund accounts for the activity of the City's health insurance costs for all funds. Individual funds and departments are charged based on their employee counts.

Actual FY 12/13	Estimate FY 13/14		Proposed	-----Projected-----		
			FY 14/15	FY 15/16	FY 16/17	FY 17/18
		Revenues				
4,129	1,578	Investment Income	1,600	1,600	1,600	1,600
4,778,557	4,764,143	Insurance Premiums	4,262,974	4,643,292	5,018,086	5,409,517
0	94	Miscellaneous	200	200	200	200
4,782,686	4,765,815	Total	4,264,774	4,645,092	5,019,886	5,411,317
		Expenses				
		General Government				
3,995,211	3,932,933	Other Operating	4,650,200	4,875,225	5,098,750	5,226,105
100,036	100,438	Allocations from Other Funds	103,428	106,536	109,728	112,476
4,095,247	4,033,371	Sub-Total	4,753,628	4,981,761	5,208,478	5,338,581
250,000	0	Transfers Out - Other	0	0	0	0
4,345,247	4,033,371	Total	4,753,628	4,981,761	5,208,478	5,338,581
		Excess(Deficiency)of				
437,439	732,444	Revenues over Expenses	(488,854)	(336,669)	(188,592)	72,736
1,818,993	2,256,432	Beginning Net Assets	2,988,876	2,500,022	2,163,353	1,974,761
2,256,432	2,988,876	Ending Net Assets	2,500,022	2,163,353	1,974,761	2,047,497

The chart below shows the City's past, present and projected insurance costs. (The projected costs take into account extreme claim costs.) 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, some of which include: 1) 1992 - Employees that elected family coverage shared in the cost of that plan through paying premiums and a Flexible Spending Account was added to allow employees to pay their premium pre-tax; 2) 1995 - The City implemented a voluntary healthy program assigning reduced premium costs for those that met recommended levels for blood pressure, cholesterol, weight and healthy lifestyle choices such as regular exercise and no tobacco use. (Those on the single coverage \$1,500 core plan receive the healthy program amount on their paycheck as their is not a premium); 3) 2013 - The City instituted tobacco and non-tobacco premium rates as well as a surcharge for spouses that have access to other medical plans; 4) 2014 - Tobacco and non-tobacco rates continue as well as a "basic" and "optimum" level for the healthy program, offering greater incentives for optimum health. We also added a new tier to our prescription plan for more expensive and rarely used medications. Besides the \$1,500 deductible single coverage plan with no premium cost to employees the City offers two other PPO buy-up plans with single and family coverage employee premiums with \$500 and \$750 deductibles.



History and Projection of Health Insurance Funding

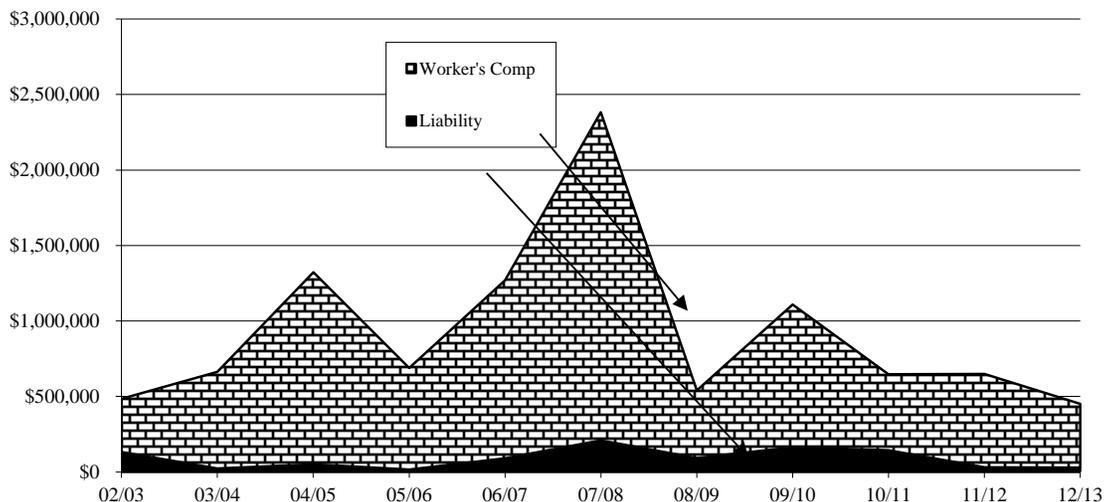


ISF - Workers Compensation/Liability - This fund accounts for the self-insurance activity related to workers compensation insurance and liability insurance for property, casualty and crime for governmental service funds. All enterprise activity is accounted for in the appropriate proprietary fund.

Actual	Estimate		Proposed	-----Projected-----		
FY 12/13	FY 13/14		FY 14/15	FY 15/16	FY 16/17	FY 17/18
		Revenues				
6,840	10,946	Investment Income	14,804	14,798	14,795	14,797
1,125,275	1,107,532	Insurance Premiums	992,604	1,034,784	1,107,527	1,181,556
44,515	40,218	Miscellaneous	0	0	0	0
169,300	178,879	Transfers In	180,000	182,000	185,000	189,625
1,345,930	1,337,575	Total	1,187,408	1,231,582	1,307,322	1,385,978
		Expenses				
		General Government				
444,669	466,425	Other Operating	507,996	532,008	557,496	584,256
9,810	9,972	Allocations from Other Funds	10,272	10,584	10,896	11,172
454,479	476,397	Sub-Total	518,268	542,592	568,392	595,428
		Public Health and Safety				
(57,574)	128,986	Other Operating	365,004	375,000	390,000	410,748
(57,574)	128,986	Sub-Total	365,004	375,000	390,000	410,748
		Public Works				
265,123	145,999	Other Operating	189,996	194,988	205,000	210,501
265,123	145,999	Sub-Total	189,996	194,988	205,000	210,501
		Community Development				
3,391	1,108	Other Operating	5,004	5,004	5,004	5,004
3,391	1,108	Sub-Total	5,004	5,004	5,004	5,004
665,419	752,490	Total	1,078,272	1,117,584	1,168,396	1,221,681
		Excess(Deficiency)of				
680,511	585,085	Revenues over Expenses	109,136	113,998	138,926	164,297
778,030	1,458,541	Beginning Net Assets	2,043,626	2,152,762	2,266,760	2,405,686
1,458,541	2,043,626	Ending Net Assets	2,152,762	2,266,760	2,405,686	2,569,983

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



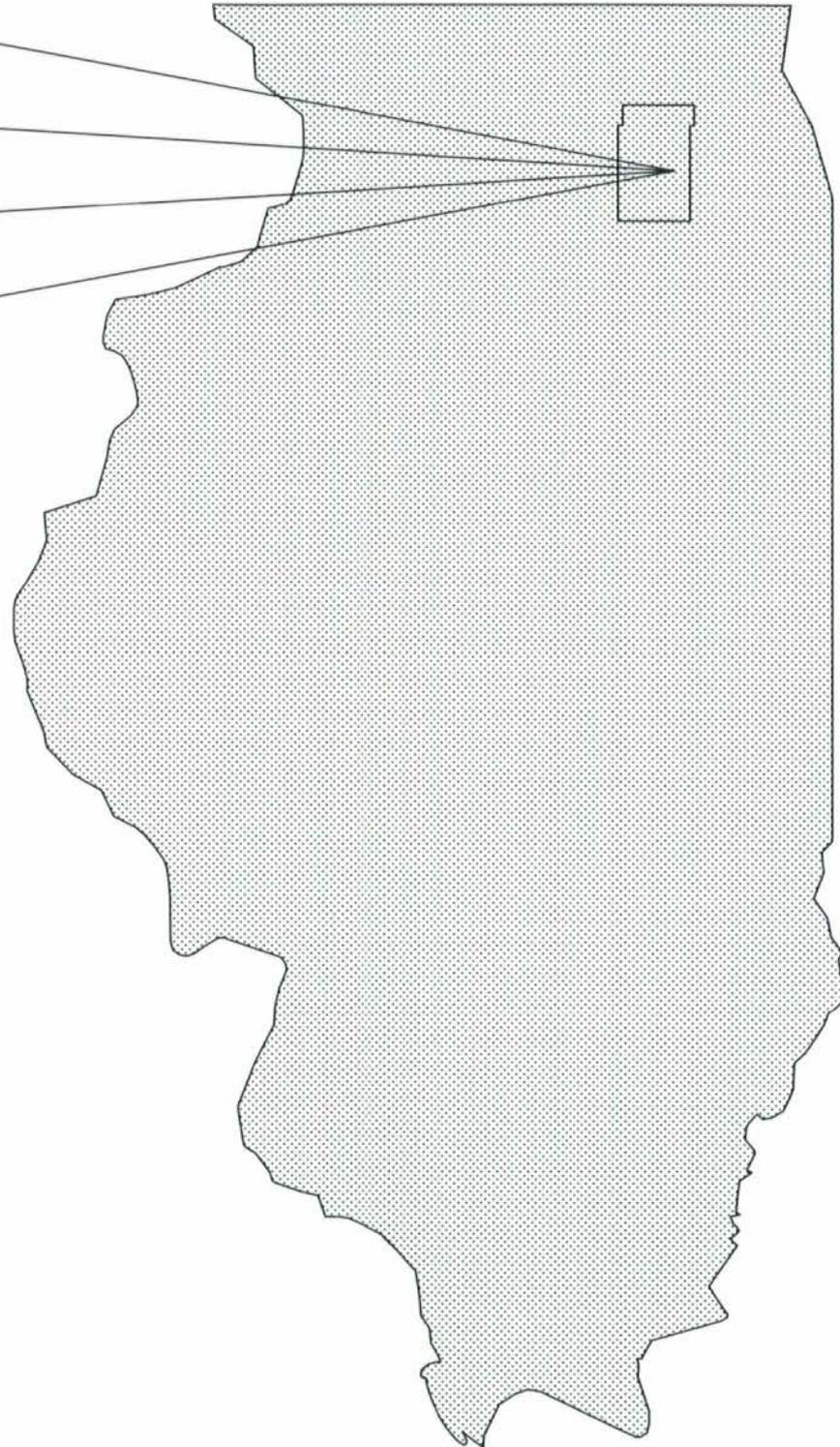
ISF - Communications - The Communications Utility operates the City's fiber system and other communications equipment to provide services to all City departments. These services are reimbursed by means of an internal service fund chargeback to City departments. The services provided to all users include 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. Computer and copier replacements for corporate are now accounted for in the Communications Fund.

Actual FY 12/13	Estimate FY 13/14		Proposed FY 14/15	-----Projected-----		
				FY 15/16	FY 16/17	FY 17/18
		<u>Revenues</u>				
255,694	320,472	User Charges	334,941	260,338	248,590	247,890
1,540	1,120	Investment Income	1,080	1,100	1,120	1,140
26,275	26,272	Charges to Other Funds	26,272	26,272	26,272	26,272
178,116	176,087	Miscellaneous Revenue	200,790	201,395	202,327	203,815
461,625	523,951	Total	563,083	489,105	478,309	479,117
		<u>Expenses</u>				
		General Government				
0	0	Other Operating	0	0	0	0
55,440	182,500	Capital	129,996	154,992	129,996	99,996
55,440	182,500	Sub-Total	129,996	154,992	129,996	99,996
		Public Utilities				
121,086	153,612	Personal Services	139,506	137,323	143,060	149,694
73,735	60,077	Other Operating	136,871	92,139	92,306	93,078
12,116	11,292	Allocations from Other Funds	11,640	11,976	12,348	12,660
21,147	121,628	Capital	114,792	45,300	25,008	24,300
228,084	346,609	Sub-Total	402,809	286,738	272,722	279,732
61,664	61,664	Transfers Out - Other	61,664	61,664	61,664	61,664
345,188	590,773	Total	594,469	503,394	464,382	441,392
		Excess(Deficiency)of				
116,437	(66,822)	Revenues over Expenses	(31,386)	(14,289)	13,927	37,725
776,181	930,543	Beginning Net Assets	863,721	832,335	818,046	831,973
(23,739)	0	Fixed Asset Adjustments	0	0	0	0
61,664	0	Debt Service Adjustments	0	0	0	0
930,543	863,721	Ending Net Assets	832,335	818,046	831,973	869,698

CAPITAL IMPROVEMENTS



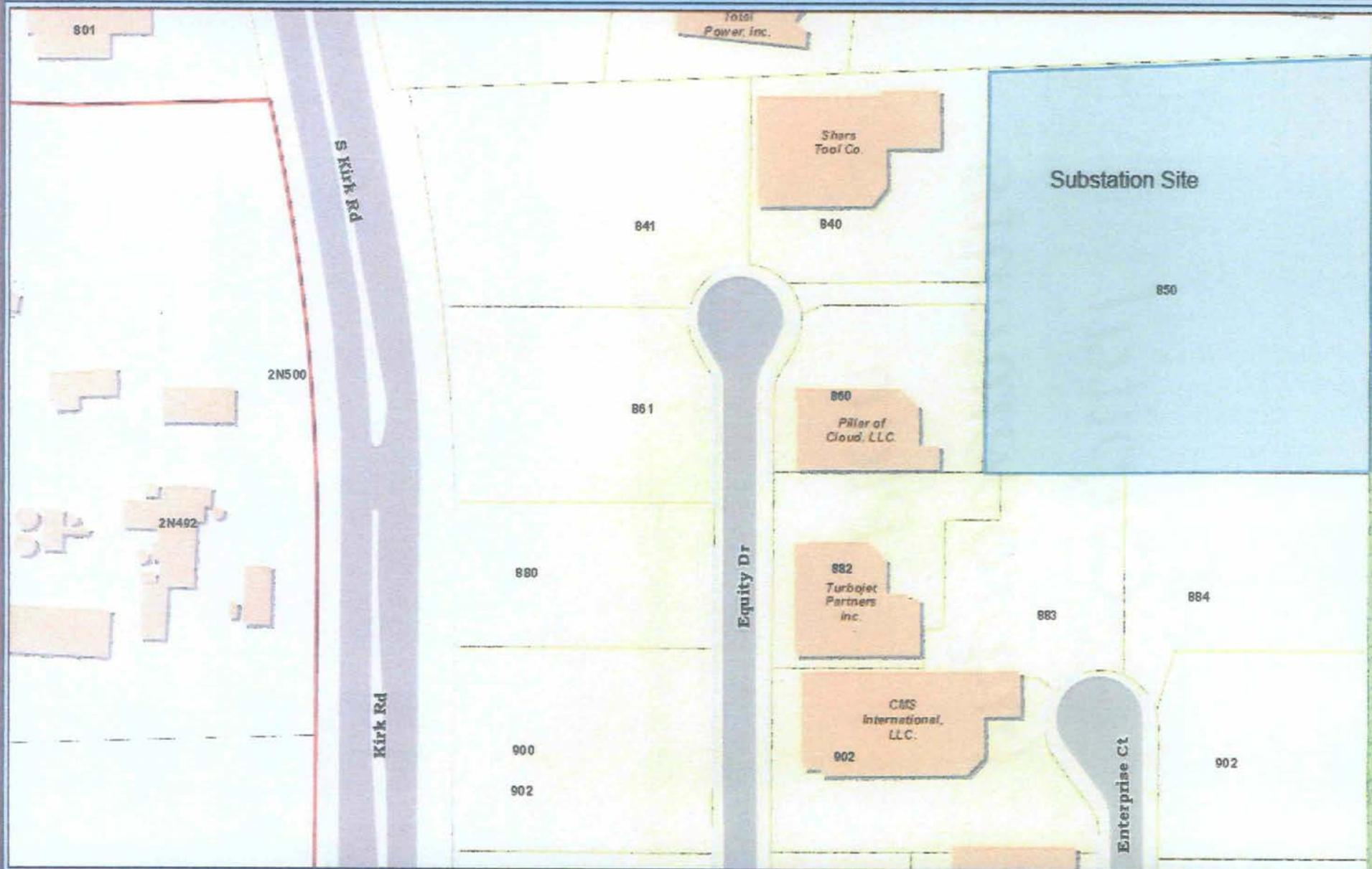
ST. CHARLES
SINCE 1834



Capital Improvements Plan

Capital Improvements - Major Project Requests VI - 3

Capital Improvements Detail VI - 11



Data Source:
 City of St. Charles, Illinois
 Kane County, Illinois
 DuPage County, Illinois
 Projection: Transverse Mercator
 Coordinate system: NAD83 State Plane East
 North American Datum 1983
 Printed on: March 2, 2014 10:58 AM



0 75 150 Feet

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 Revised by: [illegible]

Project Request

FY 14-15

Project Name *Legacy Substation (Sub 9) Development*

Estimated Total Cost of Project

\$300,000 (Phase 1- FY 14/15) \$4,850,000 (Total)
--

Project Description

1. Location

Legacy Industrial Park - East of 840 and 860 Equity Drive

2. Work to be Performed

Phase 1 includes engineering, mass grading, drainage work, and construction of a fence around the site.

3. Reason for Work

The Electric Utility purchased the land from the developer in the mid 2000's to address long standing needs for additional capacity in the southeast quadrant of the City . While two-thirds of our load is on the east side of the river, only three of our six substations are east of the river. Over the last decade, a number of planning efforts related to "Normal minus One" (N-1) contingencies have been completed. N-1 Contingency planning involves developing a restoration solution for all customers given the loss of any one element of the utility system. These efforts include distribution line upgrades, load transfers, Local Distribution Center additions, and capacitor installations. The relatively low cost options to provide for N-1 contingencies have been exhausted. A number of the circuits in the southeast quadrant do not have N-1 restoration solutions during hot weather. .

4. Impact on Budget

The substation will provide service to the City for many decades. The four year project costs are planned to be bonded.

Project Request

FY 14-15

Project Name *N. 5th Ave. Water Main
(Dunham Rd. to IL 59)*

Estimated Total Cost of Project

\$1,962,000

Project Description

1. Location

North 5th Avenue from Main Street to the Q Center.

2. Work to be Performed

Replacement of approximately 5,400 feet of watermain on 5th Avenue (Rt.25). Also included in the project are Delnor and Iroquois Avenues.

3. Reason for Work

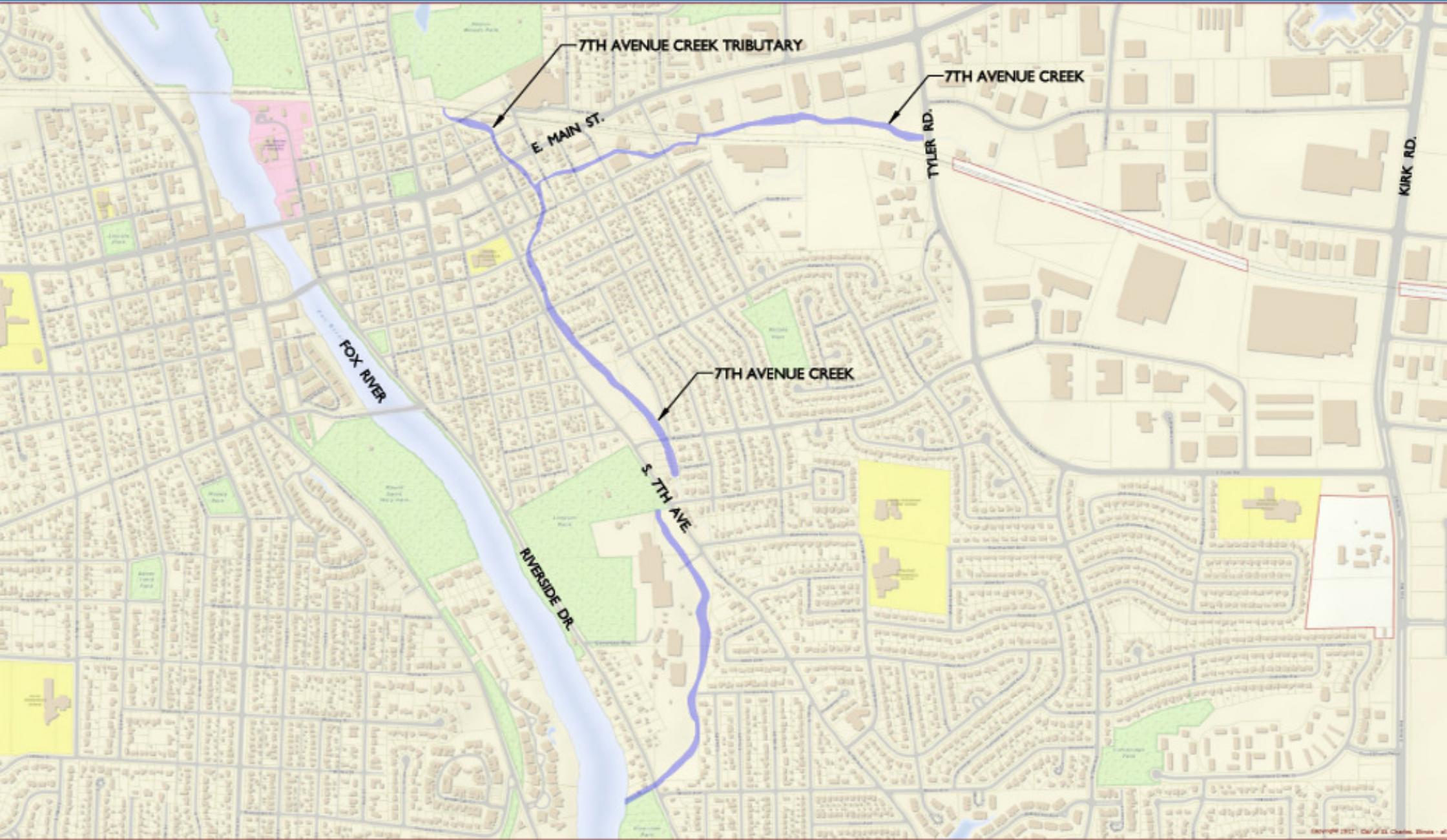
This section of watermain has a history of breaks impacting residents and businesses in the area including a medical and assisted living facility. These breaks are due to watermain age and corrosive soil conditions that exist in this area. The watermain in this stretch varies in age from forty to eighty years old.

The project will improve reliability to customers and provide redundant service by creating a loop in the area. It will also upgrade the current 8" watermain to 12" to better meet future demand. The replacement main will be HDPE which is resistant to the soil conditions and will

4. Impact on Budget

The project cost was estimated at \$1,800,000 at budget time. As stated above the watermain is 40 to 80 years old and has a history of mainbreaks. This project has been submitted to for an IEPA Low Interest Loan at an interest rate of 1.99 %.

7th Avenue Creek and Tributary



Project Request

FY 14-15

Project Name *7th Avenue Creek Rehabilitation Project
(Concept Phase)*

Estimated Total Cost of Project

\$175,000 (Engineers Estimate)

Project Description

1. Location

Concept development of the 7th Avenue Creek from Tyler Road to the Fox River including a section of the North Tributary Creek from the convergence of the two creeks north towards the UPRR culvert crossing.

2. Work to be Performed

The project will include the investigation and development of various concepts for the rehabilitation of the 7th Avenue creek and a portion of the North tributary creek. This phase of the project will involve the development of various concepts of what the improved river corridor and surrounding area could look like. The development of the concepts will involve meetings with staff, key share holders, elected officials, local businesses, and residents. The purpose of this phase will help to develop the overall rehabilitation project and will begin to look at long term maintenance solutions for the creek and more specifically near the convergence of the two creeks.

3. Reason for Work

As part of the City's commitment to improving and reducing, when possible, known flooding issues, staff will begin developing a comprehensive plan to improve the known flooding concerns along the 7th Avenue Creek and more specifically near the convergence of the 7th Avenue and North tributary creeks. During the last major flood event in 2008 and in subsequent large rainfall events precluding residents and local business along the creeks have experienced repetitive flooding issues. Staff has been working closely with FEMA, IDNR/OWR, and the County to improve the Flood Insurance Rating Maps (FIRM's) for this area to improve the understanding of the actual flood plain limits. This newly developed flood insurance study prepared by FEMA will become utilized to develop the long term improvements in this area. The development of this concept phase will also allow staff to investigate any potential property buy-out possibilities that may be required as part of the overall rehabilitation project.

4. Impact on Budget

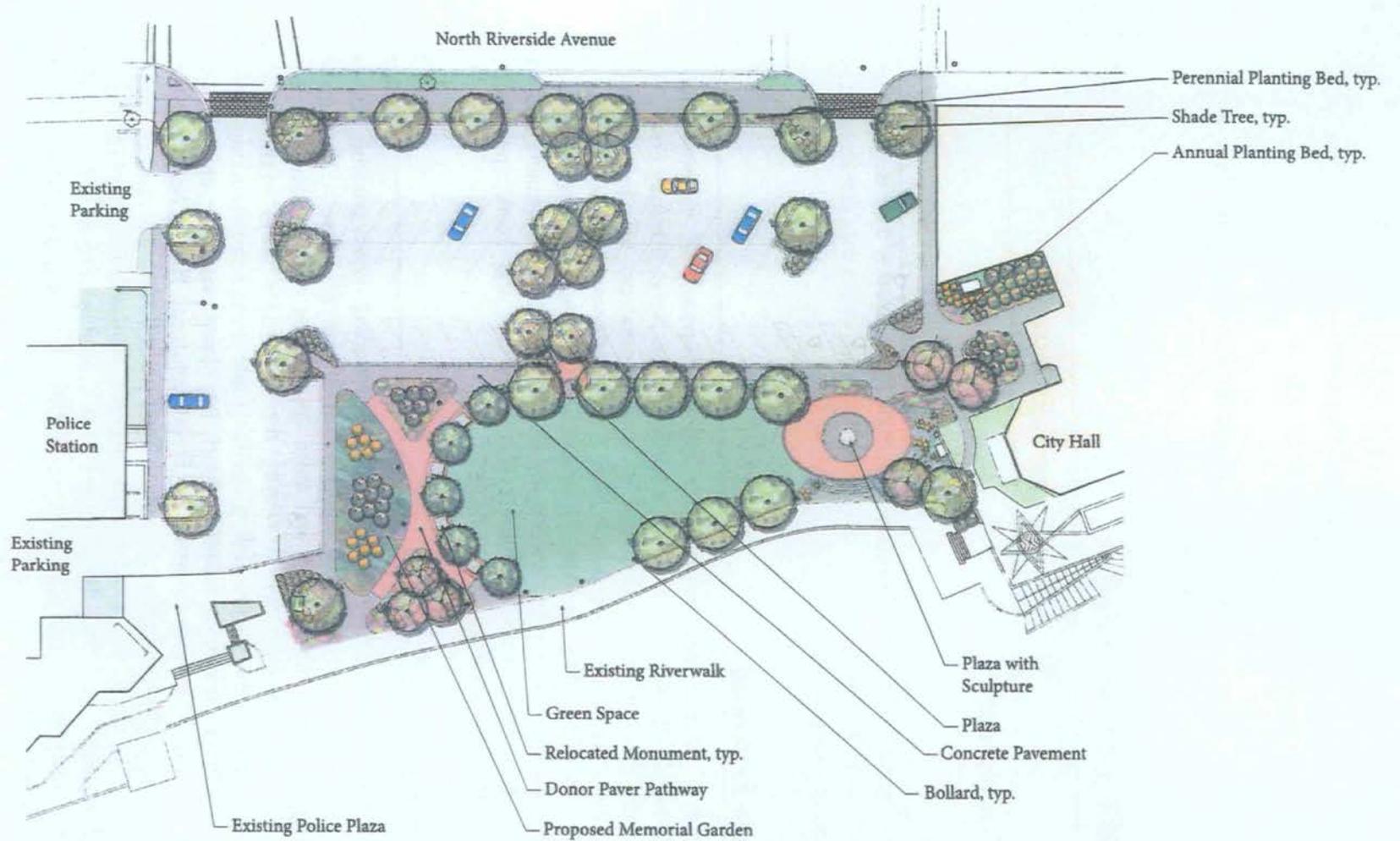
The development of this phase will allow staff to pursue more robust grants to aid in design and construction activities.



Municipal Campus Parking Lot and Plaza Improvements

City of St. Charles

Final Design Plan



MARCH 2014

Project Request

FY 14-15

Project Name *City Hall Parking Lot Improvements
(Phase I)*

Estimated Total Cost of Project

\$700,000 (Engineers Estimate)

Project Description

1. Location

Site is located behind the Municipal Building at 2 East Main St.

2. Work to be Performed

The project will include the removal of the existing asphalt parking lot and respective storm sewer, approximately 3.2 acres. The new parking lot will include the creation of increased green space along the Fox River, brick paver walkway, new bike path, bioswales, improved electrical lighting, and enhanced landscaping improvements.

3. Reason for Work

This project will provide rehabilitation and enhancement to the existing municipal parking lot. This main parking is the center of the municipal complex which brings together the main Municipal Building, Fire Department and Police all located adjacent to this parking lot. This parking lot not only provides parking to the general public for these facilities it also acts as an epicenter to many of the larger public venues such as Riverfest and the Scarecrow event. This project will help to provide additional green space for residents and visitors to enjoy, and improve the pedestrian and bicycle safety traffic through this municipal complex. The proposed parking lot improvements will increase the amount of pervious green space and improve landscaping along the Fox River, provide an improved pedestrian route from North Riverside Ave. to the Fox River, improve pedestrian safety within the public parking lot itself via improved traffic flow patterns and walkways, as well as improve the overall public parking

4. Impact on Budget

The funds to complete the project include \$65,000 in Kane County Riverboat grant dollars. It is anticipated the remainder will be funded with a bond issue.

Project Request

FY 14-15

Project Name *Tyler Rd Resurfacing Project*

Estimated Total Cost of Project

\$870,066 (Engineers Estimate)

Project Description

1. Location

Proposed section of Tyler Road for resurfacing is located between East Main Street and Kirk Road.

2. Work to be Performed

The project will include the grinding and resurfacing of the existing asphalt roadway between East Main Street and Kirk Road. This project will include as needed the replacement of concrete curbing, driveway aprons, public sidewalk, erosion protection, striping, and landscaping.

3. Reason for Work

As part of the City's commitment to maintaining public roadway infrastructure, the City applied for and received, thru the Kane County Council of Mayors, a Federal Surface Transportation (STP) grant for the amount of \$500,000. The City has utilized this funding source in the past for various larger roadway resurfacing projects such as Dean Street. Due to the heavier than normal volume of traffic on this section of roadway from the IDOT roadway reconstruction projects that took place over the past few years, this section of roadway is now due for the replacement of the top layer of asphalt and the refreshing of the striping. Included with this work will also be general maintenance repairs to the existing curbing, public sidewalks, and driveway aprons in the parkway on an as-needed basis.

4. Impact on Budget

The funds to complete the project include \$500,000 in federal Surface Transportation Program (STP) grant dollars. The remainder is expected to be funded with a bond issue.

FY 14/15 Capital Budget

**Budgeted
FY 14-15**

**Proposed
FY 15-16**

**Proposed
FY 16-17**

**Proposed
FY 17-18**

General Fund

100200-Information Systems	66,000	94,500	71,250	58,500
56004-0-Computer Equipment	66,000	94,500	71,250	58,500
IS1000: Replace/Upgrade Network Server	13,000	26,000	26,000	13,000
IS1002 : GIS Hardware	2,000	7,000	10,000	10,000
IS1003 : UPS Replacements	13,000	5,000	5,000	5,000
IS1004 : Wireless Access Point	-	15,500	5,000	5,000
IS1005 : Disaster Recovery Hdw For Ntwk	9,000	9,000	9,000	9,000
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
IS1011 : Telephone Parts/Equipment	5,000	-	5,000	5,000
IS1012 : Switch Replacements	2,000	2,000	2,000	2,000
IS1013 : Voicemail Server Replacement	-	13,000	-	-
IS1015 : Audio Visual Equipment	5,000	4,000	4,250	4,500
IS1017 : Tablet PCs for Pilots	1,000	1,000	1,000	1,000
IS1018 : Internet Link Balancer	5,200	-	-	-
IS1019 : Pen Tablet	200	-	-	-
IS1020 : Upgrade training PCs for use in EOC	6,600	-	-	-
IS1021 : Keyscan Access at Substations	-	8,000	-	-
100220-Accounting	-	-	-	-
56003-0-Office Furnishings and Equip	-	-	-	-
FN1001 : Repl Office Furnishings	-	-	-	-
100222-Utility Billing	850	-	-	-
56004-0-Computer Equipment	850	-	-	-
FN1002 : New Printer for UB Counter	850	-	-	-
100300-Police Admin	8,300	-	-	-
56004-0-Computer Equipment	8,300	-	-	-
PD3000 : Computer Related Equip Additions	8,300	-	-	-
100401-Fire Operations	57,000	56,500	61,000	56,000
56002-0-Machinery and Equipment	34,000	42,000	29,500	29,000
FD4101 : Replace of Fire Hose/Fittings	15,000	15,000	12,000	14,000
FD4102 : Replace of Hurst Rescue Equip	-	15,000	-	-
FD4104 : Rescue and Safety Equipment	10,000	-	5,000	6,000
FD4105 : SCBA Replacements	-	-	6,000	5,000
FD4106 : Repair of Fire Training tower	5,000	-	2,500	-
FD4107 : Replacement of nozzles and ada	4,000	6,000	4,000	4,000
FD4108 : Replacement of portable genera	-	6,000	-	-
56003-0-Office Furnishings and Equip	6,000	6,000	6,000	6,000
FD4100: Station Furniture	6,000	6,000	6,000	6,000
56099-0-Other Capital	17,000	8,500	25,500	21,000
FD4103 : Radio Equipment Replacement	16,000	-	15,000	12,000
FD4109 : Technical rescue supplies and	1,000	1,000	3,000	3,000
FD4110 : Monitoring equipment	-	4,000	4,000	2,000
FD4111 : Pager replacements	-	3,500	3,500	4,000
100402-Fire EMA	20,525	13,775	-	13,200
56099-0-Other Capital	20,525	13,775	-	13,200
FD4800 : Portable Radio Replacements	2,500	-	-	3,200
FD4804 : Radio Repeaters	-	-	-	10,000

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
FD4806 : New Base Radio for EOC	4,250	-	-	-
FD4807 : Upgrade EOC	13,775	13,775	-	-
100510-Construction Services	-	-	-	-
56002-0-Machinery and Equipment	-	-	-	-
PS5100 : Snow Plow Replace Blades	-	-	-	-
100603-Bldg & Code Enforcement	850	-	-	-
56004-0-Computer Equipment	850	-	-	-
CD6031 : IPAD and Accessories	850	-	-	-
100604-Development Engineering	-	850	-	-
56004-0-Computer Equipment	-	850	-	-
CD6041 : IPAD & Accessories	-	850	-	-
Total General Fund	153,525	165,625	132,250	127,700
Cash Projects	153,525	165,625	132,250	127,700

Electric Fund

200520-Electric Administration	-	16,250	75,000	75,000
56301-0-Capitalized Software	-	16,250	75,000	75,000
11002 : Work Order Project	-	16,250	75,000	75,000
200521-Electric Operations	3,193,000	4,574,000	4,819,000	6,532,000
56001-0-Motor Vehicles - Replacements	100,000	418,000	120,000	577,000
EL2001 : Replace 1910 Chevy Impala	-	-	-	24,000
EL2002 : Replace 1730 Ford F550	-	65,000	-	-
EL2006 : Repl 1734 2004 Aerial	-	165,000	-	-
EL2007 : Repl 1799 2007 IHC 4300 Digger	-	-	-	190,000
EL2008 : Repl 1902 2009 IHC 7400 SFA	-	-	-	280,000
EL2009 : Repl 1915 2001 Vermeer Trencher	100,000	-	-	-
EL2010 : Repl 1924 2005 IHC 4300 Aerial	-	160,000	-	-
EL2011 : Repl 1982 2005 Ford F350 SD	-	-	-	55,000
EL2012 : Repl 2158 2003 Sullair 185-H	-	-	-	28,000
EL2013 : Repl 2184 2006 Altec DB35	-	-	120,000	-
EL2014 : Repl 2005 AFL Splice Kit Mach	-	28,000	-	-
56002-0-Machinery and Equipment	10,000	10,000	10,000	-
EL2016 : Electric Line Trailer Replacements	10,000	10,000	10,000	-
56099-0-Other Capital	-	-	-	-
EL2019 : Fabric Dome for Gravel Bins	-	-	-	-
56101-0-Land Improvements	15,000	15,000	15,000	-
EL2015 : PW Facility Parking Lot Improve-Electric	15,000	15,000	15,000	-
56200-0-Structures and Improvements	60,000	60,000	-	-
EL2018 : Cable storage shed	60,000	60,000	-	-
56203-0-Substation Capital Improvemnts	1,195,000	1,190,000	1,610,000	1,860,000
Dunham Rd Upgrade Const	-	-	-	1,000,000
Dunham Rd Upgrade Engineering	-	-	100,000	-
Dunham Road 35KV Phase 2	25,000	-	-	-
OSI System Upgrades	-	80,000	-	-
Pave drive to LDC2 during Water Tower project	60,000	-	-	-
Redundant SCADA network switches	10,000	10,000	10,000	10,000
Replacement Substation Transformer 3T2	800,000	-	-	-
Split 12kv Circuits at Sub 3 Engineering	-	-	-	100,000

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
Sub 9 - Transformer and supporting equip	-	-	1,500,000	750,000
Sub 9 Site preparation	300,000	300,000	-	-
Substation TR replacement - 6T1	-	800,000	-	-
56204-0-Transmission Capital Improve	-	1,000,000	1,000,000	1,500,000
Duct to Sub 9	-	1,000,000	1,000,000	-
Replace L13155-unjacketed XLPE 345mil	-	-	-	1,500,000
56205-0-Distribution Imp-Developments	-	-	-	-
First Street	-	-	-	-
56206-0-Distribution Capital Improve	1,753,000	1,794,000	1,975,000	2,500,000
Automation of 12kV lines	-	-	-	500,000
Cable Replacement/Reinforcement	365,000	400,000	500,000	300,000
Extend LDC1 Circuit north to 514 and 715	-	179,000	-	-
Finish Duct to Dean St	-	-	-	125,000
Inject Red Gate Phases 1-4	80,000	-	-	-
Leaking and failed transformer replacements	65,000	100,000	100,000	100,000
Majestic Oaks & Kingswood mainline	147,000	-	-	-
Overhead System Replacements	332,000	300,000	400,000	400,000
Power Factor Correction Equipment	25,000	25,000	25,000	25,000
Relocate SWGR at PD with submersible	80,000	-	-	-
Rotted SWGR Replacements	62,000	70,000	50,000	50,000
Station Exit Cable Replacement	-	-	500,000	600,000
Storm Hardening- Overhead Spacer Cable	143,000	200,000	-	-
Storm Hardening-Residential OVHD to UG	148,000	200,000	100,000	100,000
Unplanned Underground Equipt Failures-Historical	170,000	270,000	300,000	300,000
Upgrade 224 Wildrose to Red Gate	136,000	50,000	-	-
56207-0-Services/Upgrades	30,000	42,000	44,000	45,000
New Service Work	30,000	42,000	44,000	45,000
56208-0-St. Light/Traffic Signal Capital	30,000	45,000	45,000	50,000
Concrete Pole Replacements	-	10,000	10,000	10,000
Municipal Parking Lot Lights	20,000	-	-	-
Unplanned Streetlight Replacements	10,000	35,000	35,000	40,000
200522-Electric Meter	-	-	95,000	-
56001-0-Motor Vehicles - Replacements	-	-	95,000	-
EL9000 : Replc 1938 Ford F350 Pick-Up	-	-	55,000	-
EL9001 : Replace 1981 Chevy G2500	-	-	40,000	-
Total Electric Fund	3,193,000	4,590,250	4,989,000	6,607,000
Bonded Projects	1,120,000	2,100,000	2,600,000	3,750,000
Replacement Funded Capital	100,000	418,000	215,000	577,000
Cash Projects	1,973,000	2,072,250	2,174,000	2,280,000
Water Fund				
210540-Water Administration	-	16,250	75,000	75,000
56301-0-Capitalized Software	-	16,250	75,000	75,000
11002 : Work Order Project	-	16,250	75,000	75,000
210541-Water Operations	7,487,183	1,017,700	3,046,380	1,005,000
56001-0-Motor Vehicles - Replacements	65,000	-	71,000	215,000
WA5023 : Replace 1940 Utility Truck 4Wd	65,000	-	-	-

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
WA5025 : Vehicle #1724 - 6' Wheel Dump FY 17/18	-	-	-	150,000
WA5026 : Repl 1740 2003 Ford 550	-	-	-	65,000
WA5027 : Repl 1874 2009 Ford F550	-	-	71,000	-
56002-0-Machinery and Equipment	100,000	320,000	25,000	-
WA2004 : Well #13 Media Replacement	100,000	-	-	-
WA2017 : SCADA Enhancements-Emer Ops Ctr	-	-	25,000	-
WA2019 : Well #8 Plant Revisions Const.	-	120,000	-	-
WA5004 : SCADA Upgrade/Replacement	-	200,000	-	-
56099-0-Other Capital	-	-	-	-
WA5044 : Fabric Dome for Gravel Bins	-	-	-	-
56101-0-Land Improvements	2,486,183	447,600	1,547,150	130,000
WA5001 : Pheasant Run-Rte 64 Water Repl	196,000	-	-	-
WA5003 : Rt 64 - 7th to Dunham Rd	325,183	-	-	-
WA5006 : 9th St (Lexington) Water Main	-	95,000	-	-
WA5008 : W Main to 17th St Parking Lot	-	-	349,850	-
WA5010 : N. 2nd Ave to Delnor Ave	-	-	210,900	-
WA5011 : Valley Spring Mall	-	-	349,850	-
WA5012 : McGrath Water Main Improvement	-	-	75,000	-
WA5019 : Water MFT Repairs Contrib	85,000	115,000	115,000	115,000
WA5030 : CMD Road Rehab-Phs 2-Water	-	13,100	-	-
WA5031 : CMD Road Rehab-Phs 3-Water	-	9,500	-	-
WA5032 : CMD Road Rehab-Phs 4-Water	-	-	13,550	-
WA5033 : Concrete Program-Aintree Rd-Water	-	-	3,000	-
WA5034 : PW Facility Parking Lot Improvements	15,000	15,000	15,000	15,000
WA5035 : N 5th Ave Waterline	1,800,000	-	-	-
WA5038 : Fairview Dr Waterline-Phase 1	-	200,000	-	-
WA5039 : Fairview Dr Waterline-Phase 2	-	-	190,000	-
WA5043 : Tyler Rd Watermain	-	-	225,000	-
WA2035 : City Hall Raw Waterline-Repl	65,000	-	-	-
56150-0-Design Engineering - Capital	242,000	16,550	155,240	-
WA2002 : Water System SCADA Evaluation	25,000	-	-	-
WA2013 : Convert Well #11 to Hypo - DE	-	-	12,000	-
WA2014 : Convert Well #9 to Hypo - DE	-	8,000	-	-
WA2019 : Well #8 Plant Design Revisions	-	-	20,000	-
WA2021 : Convert Wells #7 & #13 to Hypo	12,000	-	-	-
WA2022 : Well #8 Generator	-	-	15,000	-
WA2023 : Well #4 Demo/Improvements	-	-	25,000	-
WA5001 : IL 64-Kirk Rd to Rte 59 (IDOT 62410)	61,000	-	-	-
WA5003 : IL 64-7th to Dunham (IDOT 62195)	144,000	-	-	-
WA5006 : 9th St (Lexington) Water Main	-	8,550	-	-
WA5008 : W Main to 17th St Parking Lot	-	-	31,500	-
WA5011 : Valley Spring Mall	-	-	31,490	-
WA5043 : Tyler Rd Watermain	-	-	20,250	-
56160-0-Construction Engineering - Capital	469,000	8,550	62,990	-
WA2007 : Elevated Water Tower #3	170,000	-	-	-
WA5001 : Pheasant Run-Rte 64 Water Repl	41,000	-	-	-
WA5003 : Rt 64 - 7th to Dunham Rd	96,000	-	-	-
WA5006 : 9th St (Lexington) Water Main	-	8,550	-	-

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
WA5008 : W Main to 17th St Parking Lot	-	-	31,500	-
WA5011 : Valley Spring Mall	-	-	31,490	-
WA5035 : N 5th Ave Waterline	162,000	-	-	-
56170-0-Other Engineering Services - Capital	-	15,000	-	120,000
WA2032 : Wells 9 & 11 Chlorine / Ammonia Study	-	15,000	-	-
WA5013 : 10 Year Master Study	-	-	-	120,000
56200-0-Structures and Improvements	60,000	150,000	-	-
WA2020 : Structural Repair 3/4 Reservoir	60,000	-	-	-
WA2024 : Well #9 Roof Replacement	-	55,000	-	-
WA2025 : Well #8 Roof Replacement	-	95,000	-	-
56209-0-Wells	265,000	60,000	260,000	540,000
WA2013 : Convert Well #11 to Hypo	-	-	-	30,000
WA2014 : Convert Well #9 to Hypo	-	-	25,000	-
WA2015 : Convert Well #8 to Hypo	30,000	-	-	-
WA2019 : Well #8 Plant Design Revisions	-	-	-	120,000
WA2021 : Convert Wells #7 & #13 to Hypo	30,000	25,000	-	-
WA2022 : Well #8 Generator	-	-	110,000	-
WA2029 : Well #3 Preventive Maintenance	170,000	-	-	-
WA2030 : Well #8 Preventive Maintenance	-	-	90,000	-
WA2031 : Well #4 Preventive Maintenance	-	-	-	250,000
WA2033 : Well #8 Booster Station VFDs	35,000	35,000	35,000	-
WA2034 : Well #7 Media Replacement	-	-	-	140,000
56211-0-District Reservoir & Standpipe	3,800,000	-	925,000	-
WA2007 : Elevated Water Tower #3	3,800,000	-	-	-
WA2010 : 10th St Tower Painting	-	-	250,000	-
WA2011 : Campton Hills Tower Maint Eng	-	-	675,000	-
210542-Water Meter	-	-	89,000	-
56001-0-Motor Vehicles - Replacements	-	-	89,000	-
WA7001 : Replace 1801: 2003 Ford Van	-	-	44,500	-
WA7002 : Replace 1802: 2003 Ford Van	-	-	44,500	-
Total Water Fund	7,487,183	1,033,950	3,210,380	1,080,000
Bonded/IEPA Projects	5,997,000	222,600	2,410,380	-
Prior Bonded Projects/Escrow	863,183	-	-	-
Replacement Funded Capital	65,000	-	160,000	215,000
Cash Projects	562,000	811,350	640,000	865,000
Wastewater Fund				
220550-Wastewater Administration	-	16,250	75,000	75,000
56301-0-Capitalized Software	-	16,250	75,000	75,000
11002 : Work Order Project	-	16,250	75,000	75,000
220551-Wastewater Plant Operations	551,000	2,210,000	1,305,000	166,000
56001-0-Motor Vehicles - Replacements	216,000	-	-	26,000
WW2004 : Replace 1953-Ford 3/4 ton P/U	40,000	-	-	-
WW2005 : Replace 1808 3 ton Dump	130,000	-	-	-
WW2017 : Repl 1985 2003 Ford F350 4wd	46,000	-	-	-
WW2018 : Repl 1875 2009 Ford Escape	-	-	-	26,000
56002-0-Machinery and Equipment	260,000	290,000	205,000	140,000

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
WW2009 : UVD Controller Replace	115,000	-	-	-
WW2016 : SCADA Enhancements	-	175,000	-	-
WW2020 : Return Activated Sludge Pumps (3)	40,000	-	40,000	40,000
WW2021 : Non-potable water pumps (2)	30,000	-	-	-
WW2022 : Blower Oilers (6)	-	15,000	15,000	-
WW2024 : Centrifuge Maceraters (2)	50,000	-	-	-
WW4004 : Westside Plant Raw Influent Pump	25,000	-	-	-
WW5003 : Lift Station Rehabilitation Program	-	100,000	150,000	100,000
56150-0-Design Engineering - Capital	75,000	120,000	-	-
WW2014 : Digester Conditions Assess - Imp	50,000	-	-	-
WW2016 : SCADA System Enhancements	25,000	-	-	-
WW2023 : Phosphorus Removal	-	120,000	-	-
WW4000 : West Plant Expansion	-	-	-	-
56160-0-Construction Engineering - Capital	-	-	100,000	-
WW2023 : Phosphorus Removal	-	-	100,000	-
56200-0-Structures and Improvements	-	1,800,000	1,000,000	-
WW2014 : Digester Operation Improve	-	1,800,000	-	-
WW2023 : Phosphorus Removal	-	-	1,000,000	-
220552-Wastewater Collections	151,000	667,200	865,800	936,200
56001-0-Motor Vehicles - Replacements	56,000	279,000	145,000	142,000
WW6006 : Repl 1733 Ford 550	56,000	-	-	-
WW6012 : Vehicle #1753 1-Ton Utility	-	-	-	55,000
WW6013 : Repl Vactor (split w/Storm)	-	279,000	-	-
WW6018 : Repl 1778 2000 Mini Excavator	-	-	-	87,000
WW6019 : Repl 1881 2004 IHC 7400 6x4	-	-	145,000	-
56002-0-Machinery and Equipment	20,000	70,000	70,000	70,000
WW6003 : Trashpump Replacement	-	50,000	50,000	50,000
WW6015 : Sanitary Sewer Flow Metering	20,000	20,000	20,000	20,000
56099-0-Other Capital	-	-	-	-
WW6039 : Fabric Dome for Gravel Bins	-	-	-	-
56101-0-Land Improvements	75,000	315,000	597,600	674,200
WW6008 : Sanitary Sewer MFT Funds	60,000	115,000	115,000	115,000
WW6016 : Dunham Rd Force Main	-	-	-	500,000
WW6023 : CMD Road Rehab-Phs 2-WW	-	5,000	-	-
WW6025 : CMD Road Rehab-Phs 4-WW	-	-	5,450	-
WW6026 : Concrete Program-Aintree Rd-WW	-	-	15,750	-
WW6027 : 9th and Adams	-	-	-	59,200
WW6028 : N 2nd Ave to Delnor	-	-	280,900	-
WW6029 : AMLII-Kirk & Illinois	-	-	35,500	-
WW6030 : PW Facility Parking Lot Improvements	15,000	15,000	15,000	-
WW6037 : Fairview Dr Sewer-Phase 1	-	180,000	-	-
WW6038 : Fairview Dr Sewer-Phase 2	-	-	130,000	-
56150-0-Design Engineering - Capital	-	3,200	50,000	-
WW6016 : Dunham Road Force Main DE	-	-	50,000	-
WW6029 : AMLII-Kirk & Illinois	-	3,200	-	-
56160-0-Construction Engineering - Capital	-	-	3,200	50,000
WW6016 : Dunham Rd Force Main	-	-	-	50,000
WW6029 : AMLII-Kirk & Illinois	-	-	3,200	-

FY 14/15 Capital Budget

	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
Total Wastewater Fund	702,000	2,893,450	2,245,800	1,177,200
Bonded Projects/IEPA	-	2,105,000	1,566,350	550,000
Prior Bonded Projects/IEPA	-	-	-	-
Replacement Funded Capital	237,000	279,000	145,000	168,000
Cash Projects	465,000	509,450	534,450	459,200

Motor Fuel Tax

350500-Motor Fuel Tax	1,801,920	980,000	980,000	980,000
56101-0-Land Improvements	1,382,013	980,000	980,000	980,000
MF1000 : Annual Resurfacing Program	1,000,000	980,000	980,000	980,000
MF1001 : IL64 Bi-Dir Turn Ln 7th-Dunham (62195)	282,013	-	-	-
MF1002 : Il-64 - 59 to Kautz (62410)	100,000	-	-	-
56150-0-Design Engineering - Capital	251,944	-	-	-
MF1001 : IL64 Bi-Dir Turn Ln 7th-Dunham	124,417	-	-	-
MF1002 : 7th to Dunham (62410)	127,527	-	-	-
56160-0-Construction Engineering - Capital	167,963	-	-	-
MF1001 : IL64-7th to Dunham (62195)	82,945	-	-	-
MF1002 : 7th to Dunham (62410)	85,018	-	-	-
Total Motor Fuel Tax	1,801,920	980,000	980,000	980,000

Capital Projects Fund

513200-Capital Projects-IS	95,000	226,250	105,000	105,000
56004-0-Computer Equipment	-	30,000	30,000	30,000
IS1011 : Telephone Replacements	-	30,000	30,000	30,000
56301-0-Capitalized Software	95,000	196,250	75,000	75,000
11002 : Work Order Project	-	16,250	75,000	75,000
CP2000 : Alarm Events Dispatch Emergency	22,500	-	-	-
CP2001 : Document Mangement	60,000	25,000	-	-
CP2002 : File Archiving	-	45,000	-	-
CP2003 : Project Management Software	12,500	-	-	-
CP2004 : Voicemail Software Upgrade	-	20,000	-	-
CP2005 : Lawson Upgrade	-	90,000	-	-
513300-Capital Projects-Police	115,000	20,000	20,000	20,000
56002-0-Machinery and Equipment	10,000	10,000	10,000	10,000
CP3008 : Radio Replacement (4 Year)	10,000	10,000	10,000	10,000
56003-0-Office Furnishings and Equip	10,000	10,000	10,000	10,000
CP3007 : Furniture Replacement (4 Year)	10,000	10,000	10,000	10,000
56170-0-Other Engineering Services - Capital	20,000	-	-	-
CP3004 : PD Parking Lot Imp (Concept Eng)	20,000	-	-	-
56200-0-Structures and Improvements	75,000	-	-	-
CP3006 : Police Range Building	75,000	-	-	-
513400-Capital Projects-Fire	15,500	390,000	-	-
56002-0-Machinery and Equipment	15,500	-	-	-
CP4006 : Thermal Imaging Camera	15,500	-	-	-
56099-0-Other Capital	-	390,000	-	-
CP4009 : SCBA Replacements	-	390,000	-	-

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
513500-Capital Projects-Street/Bridge	2,126,129	5,861,990	6,745,102	1,483,152
56002-0-Machinery and Equipment	10,000	10,000	10,000	-
CP5600 : Brine Equipment	10,000	10,000	10,000	-
56099-0-Other Capital	-	-	-	-
CP5055 : Fabric Dome for Gravel Bins	-	-	-	-
56101-0-Land Improvements	1,894,129	4,984,739	6,247,752	1,010,000
CP5001 : Concrete Program	-	-	-	-
CP5002 : 7th to Dunham (62410)	289,063	-	-	-
CP5003 : City Hall Parking Lot Improvem	700,000	-	300,000	-
CP5012 : Riverside Streetscape - Main t	-	400,000	-	-
CP5021 : Tyler Rd - From Rt.64 to Kirk	870,066	-	-	-
CP5030 : Campton Hills Rd Resurface	-	-	1,415,000	-
CP5032 : Concrete Program-Aintree Rd	-	-	994,400	-
CP5033 : Fairview Dr - Phase 1 & 2	-	320,000	380,000	-
CP5034 : CMD Road Rehabilitation Phase 2	-	876,417	-	-
CP5035 : CMD Road Rehabilitation Phase 3	-	483,870	-	-
CP5036 : CMD Road Rehabilitation Phase 4	-	-	1,513,714	-
CP5040 : Second & Delnor Ave Street Reconstructio	-	-	334,638	-
CP5042 : Retroreflectivity Sign Program	-	-	50,000	-
CP5043 : 7th Ave to 7th St Streetscape	-	500,000	500,000	500,000
CP5045 : PW Facility Parking Lot Improve-Street	-	-	-	-
CP5048 : Red Gate Road Resurface	-	-	500,000	-
CP5049 : Division St Resurface (7th to Kirk)	-	-	-	510,000
CP5050 : Peck Rd Resurface	-	990,000	-	-
CP5051 : S 14th St Resurface (Prairie to IL38)	-	-	260,000	-
CP5052 : S Tyler Rd Reconstruct	-	1,364,452	-	-
CP5053 : Illinois St Bridge Sidewalk Repl	-	50,000	-	-
CP5057 : Campton Hills Surface Grind	35,000	-	-	-
56150-0-Design Engineering - Capital	-	227,350	30,000	427,152
CP5003 : City Hall Parking Lot Improvem	-	30,000	-	-
CP5012 : Riverside Streetscape - Main t	-	40,000	-	-
CP5030 : Campton Hills Rd Resurface	-	127,350	-	-
CP5041 : State St Creek Parking Lot Imp	-	-	-	127,152
CP5043 : Main St Streetscape (7th to 7th)	-	30,000	30,000	-
CP5054 : Fox River Retaining Wall Repl	-	-	-	300,000
56160-0-Construction Engineering - Capital	63,000	238,901	196,350	46,000
CP5001 : Concrete Program	-	-	-	-
CP5003 : City Hall Parking Lot Improvem	63,000	27,000	-	-
CP5030 : Campton Hills Road Reconstruction	-	-	127,350	-
CP5036 : CMD Road Rehabilitation Phase 4	-	-	-	-
CP5048 : Red Gate Road Resurface	-	-	45,000	-
CP5049 : Division St Resurface (7th to Kirk)	-	-	-	46,000
CP5050 : Peck Rd Resurface	-	89,100	-	-
CP5051 : S 14th St Resurface (Prairie to IL38)	-	-	24,000	-
CP5052 : S Tyler Rd Reconstruct	-	122,801	-	-
56170-0-Other Engineering Services - Capital	76,000	51,000	261,000	-
CP5016 : General Testing Services	25,000	25,000	25,000	-
CP5017 : Street Rating Evaluation	-	-	60,000	-

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
CP5027 : PH Testing	26,000	26,000	26,000	-
CP5041 : State St Creek Parking Lot Rehab Project	-	-	150,000	-
CP5056 : Fox River Corridor Improvements	25,000	-	-	-
56200-0-Structures and Improvements	83,000	350,000	-	-
CP5038 : Illinois Bridge Repairs	83,000	-	-	-
CP5039 : Piano Factory Bridge Repairs	-	350,000	-	-
513501-Capital Projects-Storm	462,000	1,291,000	2,541,275	2,001,000
56100-0-Land	-	-	-	-
CP5729 : Purchase/Demo of Flood Property	-	-	-	-
56101-0-Land Improvements	287,000	990,000	1,246,925	1,930,000
CP5700 : MFT Storm Contribution : MFT Storm Cont	267,000	125,000	125,000	125,000
CP5703 : FoxGlen Norton Cr Stream Stabi	-	695,000	-	-
CP5708 : Culvert Relining @ 7th Ave	-	-	-	550,000
CP5711 : Dean St Creek Culvert Repairs	-	-	-	200,000
CP5712 : Walnut St Storm Sewer Replacement	-	-	150,000	150,000
CP5714 : 7th Ave/State Ave Creek Culvert Replace	-	-	-	110,000
CP5715 : North 9th St Culvert Replacement	-	150,000	-	-
CP5717 : Misc Storm Sewer Lining	-	-	95,000	-
CP5719 : McKinley St Bypass	-	-	350,000	-
CP5720 : Weber Rd Storm Sewer Install	-	-	-	250,000
CP5721 : Sump Line Invest & Relo	20,000	20,000	20,000	20,000
CP5722 : John Deutsch Dr Culvert Replace	-	-	-	125,000
CP5723 : Second & Delnor Ave Storm Rehab	-	-	56,925	-
CP5724 : Northgate Riverbank Improve	-	-	-	-
CP5726 : N 17th St Storm Sewer Modification	-	-	-	400,000
CP5727 : State St Creek Outfall Project	-	-	450,000	-
CP5729 : Purchase/Demo of Flood Property	-	-	-	-
56150-0-Design Engineering - Capital	-	236,000	1,279,350	-
Annual Allocation for Storm Sewer Projects	-	-	-	-
CP5704 : 7th Ave Creek Improvements (DE)	-	-	1,279,350	-
CP5711 : Dean St Creek Culvert Repairs	-	100,000	-	-
CP5724 : Northgate Riverbank Improve	-	-	-	-
CP5726 : N 17th St Storm Sewer Modification	-	36,000	-	-
CP5727 : State St Creek Outfall Project	-	100,000	-	-
56160-0-Construction Engineering - Capital	-	-	15,000	36,000
CP5724 : Northgate Riverbank Improve	-	-	-	-
CP5726 : N 17th St Storm Sewer Modification	-	-	-	36,000
CP5727 : State St Creek Outfall Project	-	-	15,000	-
56170-0-Other Engineering Services - Capital	175,000	65,000	-	35,000
CP5704 : 7th Ave Creek Rehabilitation Project	175,000	-	-	-
CP5706 : Watershed Masterplan	-	65,000	-	-
CP5728 : Culvert Inspection Report	-	-	-	35,000
513511-Capital Projects-Special Svcs	545,000	1,623,000	500,000	-
56200-0-Structures and Improvements	525,000	1,623,000	500,000	-
CP5810 : Police Station Exterior Improvements	100,000	1,000,000	-	-
CP5811 : Heritage Center Roof Coating	75,000	-	-	-
CP5814 : PW Maint Garage Replacement	-	-	350,000	-
CP5818 : Parking Garage Repairs	-	20,000	150,000	-

FY 14/15 Capital Budget

	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
CP5820 : George's Sports Remodeling	350,000	550,000	-	-
CP5822 : City Hall Elevator Modernization	-	53,000	-	-
56201-0-Remodeling and Renovation	20,000	-	-	-
CP5823 : City Hall Carpet Replacement	20,000	-	-	-
Total Capital Projects Fund	3,358,629	9,412,240	9,911,377	3,609,152
Bonded Projects	1,168,066	7,555,990	8,105,377	3,268,152
Bonded Projects (Capital Levy)	350,000	550,000	-	-
Prior Bonded Projects	389,063	-	-	-
Grants/Contributions/FB	630,000	600,000	575,000	-
Transfer from General Fund (IS)	95,000	226,250	105,000	105,000
Transfer from General Fund (Police)	50,000	20,000	20,000	20,000
Transfer from General Fund (Fire)	15,500	-	-	-
Transfer from General Fund (PW)	661,000	460,000	1,106,000	216,000
Total Bonded	1,518,066	8,105,990	8,105,377	3,268,152

Inventory

800223-Inventory	5,249	750	-	55,000
56001-0-Motor Vehicles - Replacements	-	-	-	55,000
IN2001 : Repl 1960 F350 SDuty	-	-	-	55,000
56002-0-Machinery and Equipment	4,499	-	-	-
IN2004 : Electric Pallet Jack	4,499	-	-	-
56004-0-Computer Equipment	750	750	-	-
IN2002 : iPads	750	750	-	-
Total Inventory	5,249	750	-	55,000

Motor Vehicle Replacement

801110-Motor Vehicle-GenGovt	25,000	-	-	-
56001-0-Motor Vehicles - Replacements	25,000	-	-	-
MV1100 : Repl 1992 01 Chevy Blazer	25,000	-	-	-
801300-Motor Vehicle-Police	102,000	296,000	175,000	72,000
56001-0-Motor Vehicles - Replacements	102,000	296,000	175,000	72,000
MV3002 : Repl 1789 PD 11 2004 Crowne	-	-	-	36,000
MV3007 : Repl 1975 PD 07 05 Impala-Inv	32,000	-	-	-
MV3014 : Repl 1806 PD 46 04 GMC Van	-	32,000	-	-
MV3015 : Repl 1931 PD 06 2008 CrownVic	-	34,000	-	-
MV3017 : Repl 1718 PD 22 2010 Crown Vic	-	35,000	-	-
MV3018 : Repl 1704 PD 27 2010 Crown Vic	35,000	-	-	-
MV3019 : Repl 1727 PD 31 2010 Dodge Chg	35,000	-	-	-
MV3021 : Repl 1702 PD 26 2010 Crown Vic	-	-	35,000	-
MV3022 : Repl 1712 PD 32 2010 Crown Vic	-	-	-	36,000
MV3029 : Repl 1842 2011 Crown Vic (23)	-	35,000	-	-
MV3030 : Repl 1790 2012 Charger	-	-	35,000	-
MV3031 : Repl 1777 2012 Charger (25)	-	-	35,000	-
MV3032 : Repl 1780 2012 Charger (29)	-	-	35,000	-
MV3033 : Repl 1774 2012 Charger (33)	-	-	35,000	-
MV3034 : Repl 1841 2011 Crown Vic (44)	-	35,000	-	-
MV3035 : Repl 1870 2012 Chevy Tahoe (20)	-	45,000	-	-

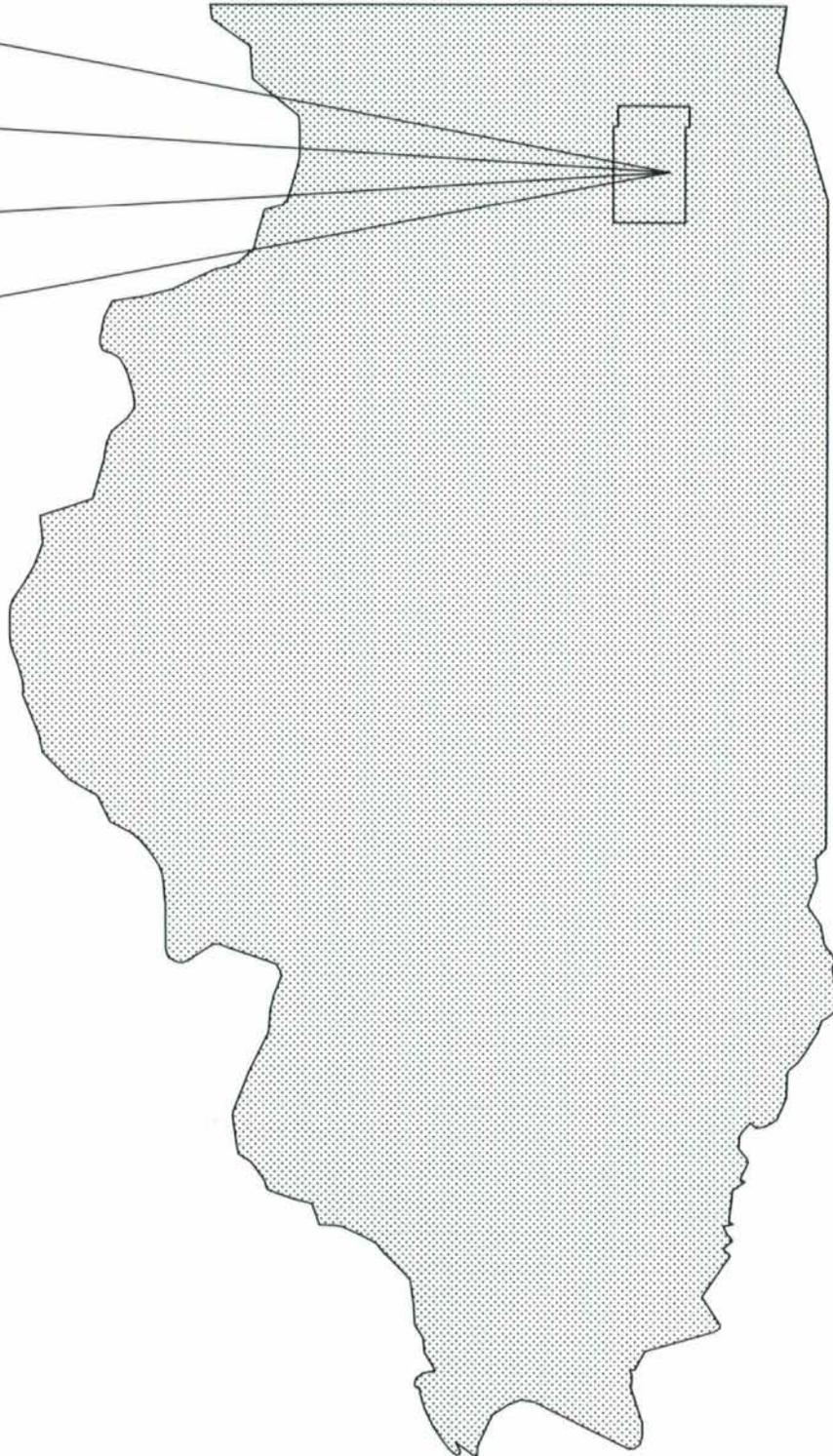
FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
MV3036 : Repl 1869 2011 Chevy Tahoe (41)	-	45,000	-	-
MV3037 : Repl 1834 2011 Crown Vic (28)	-	35,000	-	-
801400-Motor Vehicle-Fire	-	43,087	409,793	-
56001-0-Motor Vehicles - Replacements	-	43,087	409,793	-
MV4006 : Replacement Of Car 111 (Chief)	-	43,087	-	-
MV4009 : Replace Pumper 105	-	-	409,793	-
801500-Motor Vehicle-PW Admin-Eng	24,000	-	-	-
56000-0-Motor Vehicles - Additions	24,000	-	-	-
MV5500 : Repl Pool Car Vehicle	24,000	-	-	-
801510-Motor Vehicle-PS-Const Svcs	510,000	666,500	632,500	412,000
56001-0-Motor Vehicles - Replacements	510,000	666,500	632,500	412,000
MV5002 : Repl 1996 Dump W/V-Box	145,000	-	-	-
MV5003 : Repl 1715 3-Ton W/Plow&Spred	-	-	116,500	-
MV5004 : Repl 1716 Dump W/Plow-Spred	-	70,000	-	-
MV5007 : Repl 1701 2005 IHC 7400 Dump	-	125,000	-	-
MV5008 : Repl 1723 2005 IHC 7400 Dump	-	-	115,000	-
MV5009 : Repl 1746 F-550 4x2	-	-	-	56,000
MV5010 : Repl 1797 2007 IHC 7400 4x2	-	-	113,400	-
MV5011 : Repl 1798 2007 IHC 7400 4x2	-	-	113,400	-
MV5012 : Repl 1804 2004 Ford F350 FWD	-	35,000	-	-
MV5013 : Repl 1818 2004 Ford F550	-	-	72,000	-
MV5014 : Repl 1819 2004 Gehl Skidsteer	-	-	-	56,000
MV5015 : Repl 1821 2007 Ford F550 V8	-	46,100	-	-
MV5016 : Repl 1865 2000 Cat Loader	-	-	55,000	-
MV5017 : Repl 1886 2005 IHC	-	145,000	-	-
MV5019 : Repl 1899 2005 IHC 7400 6x4	145,000	-	-	-
MV5020 : Repl 1920 2001 Cat Backhoe/Load	95,000	-	-	-
MV5022 : Repl 1941 2007 IHC 7400 SFA 6x4	-	122,700	-	-
MV5023 : Repl 1943 2007 IHC 7400 SFA 6x4	-	122,700	-	-
MV5024 : Repl 1956 2008 Ford F550 V8	-	-	47,200	-
MV5027 : Repl 1860 2009 IHC 7400 4x2	-	-	-	150,000
MV5701 : Repl 1863 2004 6 Wheel Dump Trk	125,000	-	-	-
MV5702 : Tv Trailer #2172	-	-	-	150,000
801511-Motor Vehicle-PS-Special Svcs	100,000	52,000	35,000	-
56001-0-Motor Vehicles - Replacements	100,000	52,000	35,000	-
MV5801 : Repl 1889 Ford 7700 1/2 4Wh Dr	-	-	35,000	-
MV5803 : Repl 1858 Ford Dump F350	-	52,000	-	-
MV5804 : Repl 1707 Ford 450/w:Lift	100,000	-	-	-
Total Motor Vehicle Replacement	761,000	1,057,587	1,252,293	484,000
Communications Fund				
804200-Communications-Info Systems	130,000	155,000	130,000	100,000
56003-0-Office Furnishings and Equip	-	25,000	-	-
CO1005 : Copier Replace - Police IR1023	-	2,000	-	-
CO1006 : Copier Replace - Police IR5065	-	21,000	-	-
CO1007 : Copier Replace - Police IR1023	-	2,000	-	-
56004-0-Computer Equipment	100,000	100,000	100,000	100,000
CO2000 : Computer Replacement Purchases	100,000	100,000	100,000	100,000

FY 14/15 Capital Budget	Budgeted FY 14-15	Proposed FY 15-16	Proposed FY 16-17	Proposed FY 17-18
56301-0-Capitalized Software	30,000	30,000	30,000	-
CO2003 : Computer Replacement Purchases	30,000	30,000	30,000	-
804530-Communications-Fiber	114,800	45,300	25,000	24,300
56002-0-Machinery and Equipment	5,500	45,300	5,000	4,300
CO3003 : Fire Dept Key Scan	5,500	-	-	-
CO3004 : PW Facility Key Scan	-	4,300	5,000	-
CO3005 : Police Dept Key Scan	-	5,500	-	4,300
CO3022 : Replace Splice Traller #2010	-	15,500	-	-
CO3023 : Replace Splice Machine	-	20,000	-	-
56213-0-Fiber Optic System	24,300	-	20,000	20,000
CO3000 : River Crossing Fiber	-	-	20,000	-
CO3001 : Sub 8 to Sub 2 Fiber Connect	-	-	-	20,000
CO3021 : Century Station to Hunt Club	24,300	-	-	-
56301-0-Capitalized Software	85,000	-	-	-
CO3025 : Fiber Mapping Software	85,000	-	-	-
Total Communications Fund	244,800	200,300	155,000	124,300
Reserve Funded Capital	24,300	-	-	-
TOTAL CAPITAL	17,707,306	20,334,152	22,876,100	14,244,352

APPENDIX



ST. CHARLES
SINCE 1834



Appendix

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

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Schedule of Existing and Planned Debt

<u>Fund</u>	<u>Original</u>		<u>Issue</u>	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
	<u>Principal</u>	<u>Term</u>	<u>Date</u>				
Manion Property	1,050,000	10	2002	4,585	4,585	4,585	4,585
Total Corporate				4,585	4,585	4,585	4,585
2005 G. O. Bond - Public Works Garage	16,500,000	20	2005	832,000	-	-	-
2008 G. O. Bond - Fire Station, Truck/Riverwall	11,000,000	20	2008	933,386	935,256	934,856	932,066
2008 Revenue Bond - Costco	8,935,000	16	2008	959,262	976,116	999,840	1,019,742
2009 G. O. Bond - Refunding Issue	3,156,550	5	2009	266,861	-	-	-
2010 G. O. Bond - Refunding Issue	4,305,000	5	2010B	924,026	932,150	-	-
2011A G. O. Bond - Capital Projects	3,999,780	20	2011A	289,141	290,210	289,635	288,934
2011B G. O. Bond - Refunding Issue	97,968	5	2011B	26,256	26,414	26,244	26,452
2011C G. O. Bond - Refunding Issue	2,885,000	13	2011C	105,326	105,326	105,326	105,326
2012 G. O. Bond - EAB	2,500,000	10	2012	299,800	300,300	303,400	301,200
2012 G. O. Bond - Redgate Bridge Project	4,785,000	20	2012	327,600	324,000	328,600	327,900
2012B G. O. Bond - Refunding Issue	12,025,000	13	2012	706,100	1,535,200	1,521,300	1,515,300
2013B G. O. Bond - Engineering Projects	3,710,428	20	2013	269,762	269,320	267,848	270,150
2014 G. O. Bond - Engineering Projects	1,518,066	20	2014	-	111,702	111,702	111,702
2015 G. O. Bond - Engineering Projects	8,105,990	20	2015	-	-	416,860	416,860
2016 G. O. Bond - Engineering Projects	8,105,377	20	2016	-	-	-	378,386
2017 G. O. Bond - Engineering Projects	3,268,152	20	2017	-	-	-	-
Total Debt Service Funds*				5,939,520	5,805,994	5,305,611	5,694,018
Foundry Reconstruction TIF Project (Refunding)	2,325,000	8	2009	334,388	341,776	336,326	341,250
St. Charles Mall TIF Project (Refunding)	1,920,000	12	2010	222,900	218,250	222,050	220,450
St. Charles Manufacturing TIF Project (Refunding)	3,090,000	15	2011D	322,526	322,926	320,876	318,676
Hotel Baker TIF Project (Refunding)	1,190,000	4	2012C	376,712	393,976	415,126	-
First Street Development TIF Project (Refunding)	25,545,000	25	Various	1,065,235	1,083,173	1,105,173	1,126,173
Total TIF Funds				2,321,761	2,360,101	2,399,551	2,006,549
IEPA - Westside Treatment Plant Phase I&2	7,097,533	20	2000	467,079	467,079	467,079	467,079
IEPA - NPDES Compliance	10,000,000	20	2004	651,073	651,073	651,073	651,073
IEPA - WW Plant Construction	1,898,185	20	2011	97,892	97,892	97,892	97,892
IEPA - Bio-Solids Project	9,595,815	20	2013	603,687	603,687	603,687	603,687
Sewer 2007B G.O. Bond Issue	2,000,000	20	2007B	147,276	143,946	145,616	147,100
Sewer 2010A G.O. Bond Issue	1,467,914	20	2010A	109,799	109,438	110,266	109,934
Sewer 2011A G.O. Bond Issue	860,220	20	2011A	62,185	62,414	62,291	62,140
Sewer 2013 G.O. Bond Issue	452,866	10	2013	32,925	32,871	32,691	32,972
Sewer 2015 G.O. Bond Issue	2,105,000	10	2015	-	-	262,767	262,767
Sewer 2016 G.O. Bond Issue	1,566,350	20	2016	-	-	-	120,415
Sewer 2017 G.O. Bond Issue	550,000	20	2017	-	-	-	-
Sewer 2013 Interfund Loan	550,000	10	2013	66,767	67,173	67,549	67,346
Water 2008B G.O. Bond Issue	1,830,000	20	2008B	136,078	137,986	134,686	136,386
Water 2010A G.O. Bond Issue	2,326,725	20	2010A	174,038	173,465	174,777	174,253
Water 2012 G.O. Bond Issue	815,000	20	2012	55,200	54,600	58,700	57,650
Water 2013B G.O. Bond Issue	110,018	20	2013	7,999	7,985	7,943	8,011
Water 2014 G.O. Bond Issue	5,997,000	20	2014	-	441,270	441,270	441,270
Water 2015 G.O. Bond Issue	222,600	20	2015	-	-	16,744	16,744
Water 2016 G.O. Bond Issue	2,410,380	20	2016	-	-	-	102,972
IEPA - Radium Removal Project	6,699,400	20	2011	348,420	348,420	348,420	348,420
Little Woods Property Agreement	913,776	8	2011	114,222	114,222	114,222	114,222
Water 2013 Interfund Loan	250,000	10	2013	30,348	30,533	30,704	30,612
Electric 2008C G. O. Bond Issue	2,369,800	20	2008C	197,280	198,766	199,766	200,250
Electric 2009 G. O. Bond Refunding Issue	1,213,450	5	2009	102,589	-	-	-
Electric 2010A G. O. Bond Issue	3,295,361	20	2010A	246,493	245,679	247,539	246,795
Electric 2011B G. O. Bond Refunding Issue	1,462,032	6	2011B	391,844	394,186	391,656	394,748
Electric 2012 G. O. Bond Issue	935,000	20	2012A	63,826	63,126	67,076	65,876
Electric 2013B G. O. Bond Issue	641,688	20	2013	46,653	46,577	46,323	46,719
Electric 2014 G. O. Bond Issue	1,120,000	20	2014	-	82,412	82,412	82,412
Electric 2015 G. O. Bond Issue	2,100,000	20	2015	-	-	157,962	157,962
Electric 2016 G. O. Bond Issue	2,600,000	20	2016	-	-	-	199,878
Electric 2017 G. O. Bond Issue	3,750,000	20	2017	-	-	-	-
Electric 2013 Interfund Loan	1,100,000	10	2013	133,535	134,344	135,097	134,692
Total Enterprise Funds				4,287,208	4,709,144	5,156,208	5,582,277
Total Debt All Funds				12,553,074	12,879,824	12,865,955	13,287,429

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

Appendix
CITY OF ST. CHARLES
HEADCOUNT AND FTE COMPARISON

Department	FY 12/13	FY 12/13	FY 13/14	FY 13/14	FY 14/15	FY 14/15
	Actual HC	Actual FTE	Actual HC	Actual FTE	Budgeted HC	Budgeted FTE
City Administration	5	4	5	4	5	4
Information Systems	14	12	12	11	13	11.5
Human Resources	6	5	6	5	7	5.35
Accounting	9	8.5	9	8.5	9	8.5
Purchasing	1	1	1	1	1	1
Utility Billing	5	4	5	4	5	4
Police Admin	25	20.5	24	20	24	20
Police Operations	47	46.5	47	46.5	48	47.5
Fire Admin	6	6	6	6	6	6
Fire Operations	42	42	42	42	42	42
Public Works Admin	10	7.5	8	6.5	8	6.5
Public Works Engineering	3	3	3	3	4	3.25
Public Services	25	25	25	25	25	25
Planning	4	4	4	4	4	4
Building & Code Enforce	7	6	5	5	6	6
Development Engineering	3	2.5	3	2.5	3	2.5
Economic Development	3	3	2	2	2	2
Electric	22	21.5	23	22	25	22.462
Water	12	12	12	12	16	13
Wastewater	15	15	15	15	15	15
Inventory	6	5	6	5	6	5
Fleet	6	5.5	6	5.5	6	6
Communications	1	1	1	1	1	1
Total	277	260.5	270	256.5	281	261.562

Note: Excludes Elected Officials, EMA, Crossing Guards, and Meter Readers

CITY OF ST. CHARLES, ILLINOIS

RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt		Percentage of Estimated Actual Taxable Value of Property*	
		Service Fund	Total	Per Capita	
2004	\$ 37,875,000	\$ 1,204,198	\$ 36,670,802	3.10%	\$ 1,151.94
2005	42,135,000	490,610	41,644,390	3.34%	1,268.64
2006	56,485,000	13,478	56,471,522	4.18%	1,720.33
2007	70,185,000	1,084,365	69,100,635	4.73%	2,105.06
2008	82,760,000	1,979,011	80,780,989	5.11%	2,460.88
2009	92,395,000	903,486	91,491,514	5.55%	2,834.66
2010	87,875,000	2,335	87,872,665	5.35%	2,722.54
2011	90,225,000	10,342	90,214,658	5.83%	2,735.93
2012	89,720,000	13,673	89,706,327	6.15%	2,705.83
2013	90,095,000	4,904	90,090,096	6.56%	2,717.40

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

CITY OF ST. CHARLES, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Installment Notes Payable	Revenue Bonds	General Obligation Bonds	Installment Notes Payable	Revenue Bonds			
2004	\$ 31,040,023	\$ 973,010	\$ -	\$ 6,834,977	\$ 10,671,803	-	\$ 49,519,813	4.58%	\$ 1,555.56
2005	35,743,892	920,623	-	6,391,108	16,600,164	-	59,655,787	5.35%	1,817.33
2006	50,549,546	697,678	-	5,935,454	17,794,104	-	74,976,782	6.72%	2,284.07
2007	62,718,962	467,680	-	7,466,038	16,720,449	-	87,373,129	7.84%	2,661.71
2008	74,023,398	337,917	-	8,736,602	15,637,454	-	98,735,371	7.27%	3,007.84
2009	81,856,192	257,600	8,935,000	10,538,808	14,522,883	-	116,110,483	9.41%	3,597.42
2010	78,079,206	181,868	8,935,000	9,795,794	13,926,307	-	110,918,175	8.72%	3,436.55
2011	74,198,190	103,048	8,935,000	16,026,810	18,202,396	-	117,465,444	9.04%	3,562.37
2012	73,995,195	89,036	8,655,000	15,724,805	18,777,806	-	117,241,842	9.47%	3,536.39
2013	73,685,974	84,451	8,335,000	16,409,026	19,483,598	-	117,998,049	8.90%	3,559.20

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

CITY OF ST. CHARLES, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2003	824,930,416	250,380,336	107,284,531	1,182,595,283	0.7506	3,547,785,849	33.333%
2004	876,989,053	260,848,331	109,413,588	1,247,250,972	0.7490	3,741,752,916	33.333%
2005	944,422,898	281,505,774	126,398,861	1,352,327,533	0.7537	4,056,982,599	33.333%
2006	1,007,971,270	317,706,581	135,486,864	1,461,164,715	0.7314	4,383,494,145	33.333%
2007	1,093,511,982	340,689,027	146,061,935	1,580,262,944	0.7300	4,740,788,832	33.333%
2008	1,130,538,083	363,806,483	154,181,792	1,648,526,358	0.7300	4,945,579,074	33.333%
2009	1,114,552,074	374,248,479	153,004,247	1,641,804,800	0.7300	4,925,414,400	33.333%
2010	1,044,846,020	354,606,287	148,675,847	1,548,128,154	0.7785	4,644,384,462	33.333%
2011	985,067,950	333,005,128	140,911,192	1,458,984,270	0.8260	4,376,952,810	33.333%
2012	917,189,293	317,898,847	138,361,189	1,373,449,329	0.8774	4,120,347,987	33.333%

Data Source

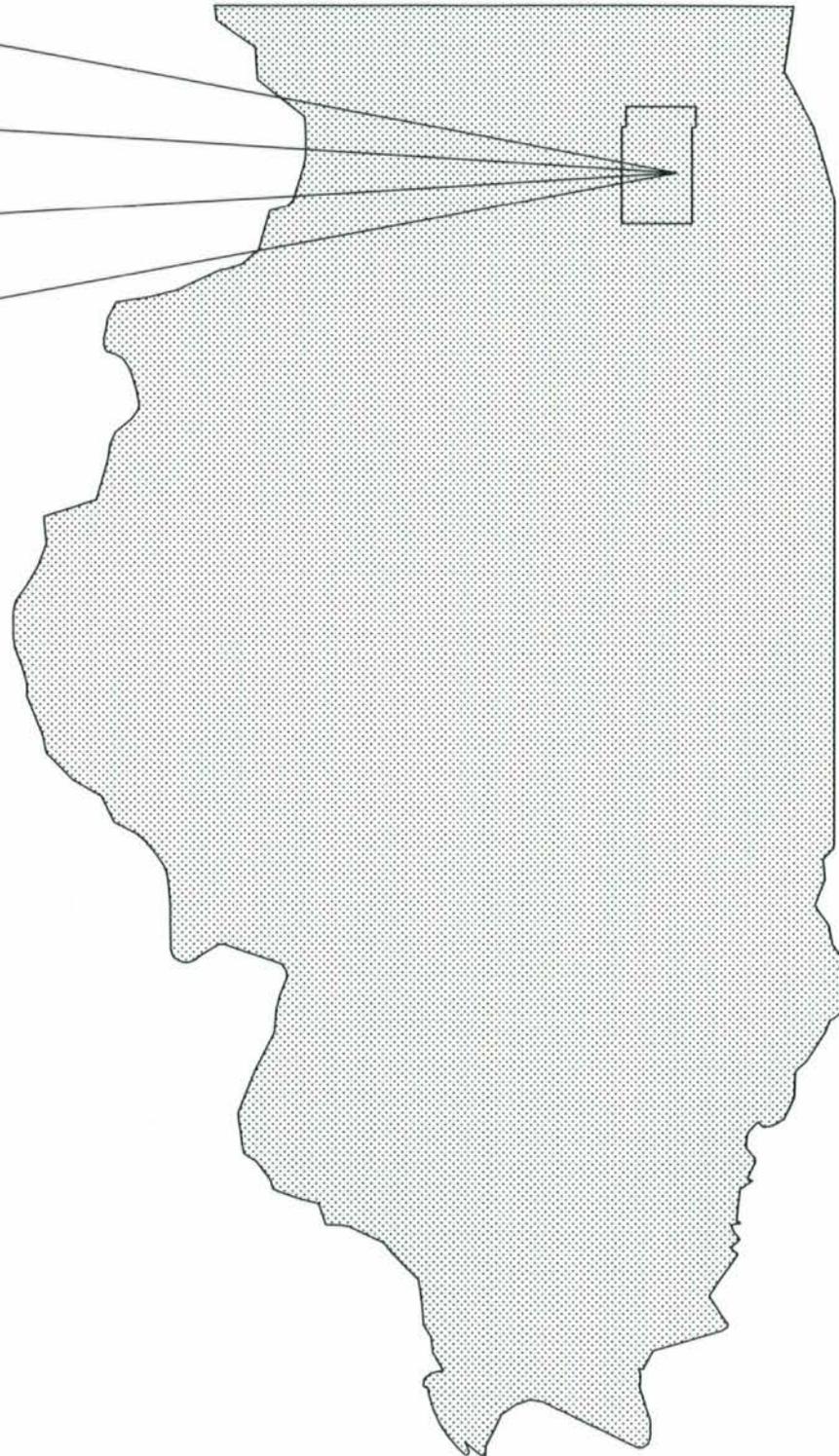
Office of the County Clerk

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

GLOSSARY



ST. CHARLES
SINCE 1834



Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

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

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

CALEA - Commission on Accreditation of Law Enforcement Agencies.

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

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

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

Capital 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.