

**CITY OF  
BATAVIA, ILLINOIS**

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**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT**



**FOR THE FISCAL  
YEAR ENDED  
DECEMBER 31, 2008**

**CITY OF BATAVIA, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR  
ENDED DECEMBER 31, 2008**

**Prepared By:**

**Finance Department**

**CITY OF BATAVIA, ILLINOIS**

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## **INTRODUCTORY SECTION**

**CITY OF BATAVIA, ILLINOIS**

**List of Principal Officials\***

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**BATAVIA CITY COUNCIL**

Jeffery D. Schielke, Mayor

Garran Sparks

Jodie L. Wollnik

Victor Dietz

Alan P. Wolff

Cathy Barnard

Linnea C. Miller

Thomas L. Schmitz

James T. Volk

Eldon Frydendall

Forrest L. Nelson, Jr.

Robert F. Liva

Lisa Clark

David J. Brown

Nancy S. Vance

William McGrath, City Administrator

Peggy Colby, Finance Director

M. Hannah Volk, City Clerk

Gerald R. Miller, City Treasurer

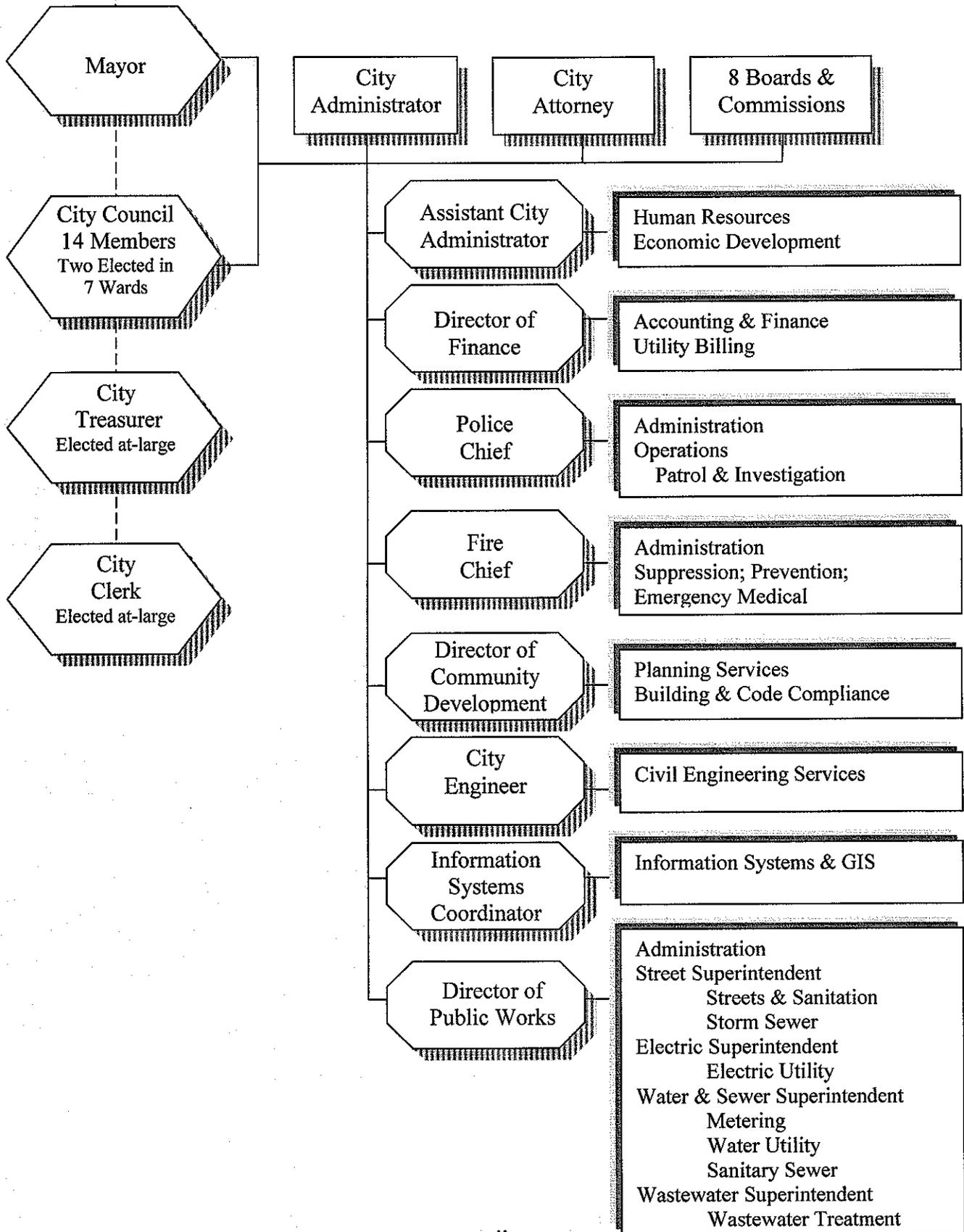
John Noble, City Attorney

\* As of December 31, 2008.

**CITY OF BATAVIA, ILLINOIS**

**Organizational Chart**

**Citizens of Batavia**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Batavia  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



# CITY OF BATAVIA

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**JEFFERY D. SCHIELKE**  
Mayor

May 15, 2009

To the Honorable Mayor Jeffrey D. Schielke  
Members of the City Council and  
Citizens of the City of Batavia:

The comprehensive annual financial report of the City of Batavia for the fiscal year ended December 31, 2008 is hereby submitted. This report consists of the City of Batavia management staff's representations concerning the finances of the City of Batavia. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Batavia's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Batavia's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In 1999, the Governmental Accounting Standards Board (GASB) adopted Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*. Beginning with the December 31, 2003 financial statements, the City of Batavia was required to comply with GASB 34. As such, the reader will notice many changes in scope, approach and presentation with reports after this date as compared to financial statements prior to this date.

The City of Batavia's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Batavia for the fiscal year ended December 31, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Batavia's financial statements for the fiscal year ended December 31, 2008, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD &A). This letter of transmittal is designed and intended to complement the MD & A and should be read in conjunction with the MD & A, which can be found immediately following the report of the independent auditors.

### **Profile of the City of Batavia**

The City of Batavia was settled in the early 1830's and is located approximately 35 miles west of downtown Chicago along the banks of the Fox River. The City was incorporated as a village in 1856 and as a City in 1891. Population at the 2000 Census was 23,866 and a special census in 2003 raised it to 24,978. The population for 2008 was estimated at about 26,000. The current land area of Batavia is 9.71 square miles. The City is nicknamed 'The Windmill City', as a result of its industrial role at the turn of the century as the windmill manufacturing capital of the world. Many antique and replicated windmills may be seen throughout the city. The City has good transportation links to the Chicago metropolitan area and the interstate highway system. The City is within a few miles of Interstate 88 within the Illinois Research & Development Corridor. Located within commuting distance of Chicago, the City has experienced strong growth in taxable valuation and new residential, commercial and industrial construction. Although much of the City is developed, there is open space with the potential for future annexation.

The City operates under an aldermanic form of government with 14 aldermen, two from each ward, elected for overlapping four-year terms. The Mayor is elected on an at-large basis and is the chief executive officer of the City. The mayor appoints the members of all standing and special committees. Policymaking and legislative authority are vested in the City Council. The City Council is responsible for passing ordinances, adopting the budget, and hiring the City Administrator. The City Administrator is responsible for carrying out the policies and ordinances of the City Council and for overseeing the day-to day operations of the City. The Mayor, with the consent of the City Council, appoints the Department Heads who work under the direction of the City Administrator.

The City provides a full range of services, including police, fire protection and paramedic services, maintenance of streets, bridges and sewers, building and zoning, code enforcement, water distribution and waste water treatment along with a municipally owned electric distribution system. The financial reporting entity of the City of Batavia, as defined by Governmental Accounting Standards Board Statement No. 14, is comprised of all the funds of the primary government (i.e., the City of Batavia as legally defined).

The annual budget serves as the foundation for the City's financial planning and control. During the month of August City staff officially begin the budget process. Staff meets to review the status of goals and priorities from the current year and to develop goals for the upcoming year. All departments of the City are required to submit their budget requests to the City Administrator during the last week of September each year. The City Administrator and Finance Director then meet with Department Heads to review the requests and to develop the proposed budget which is presented to the City Council in November. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31 of each year. A Capital Improvements Plan is prepared in conjunction with the budget as a planning tool. The CIP is not approved as part of the budget process but is provided for informational purposes.

## **Economic Condition and Outlook**

The City maintained a favorable financial position for 2008, with sufficient fund balances available for general operations. During the past year, and particularly the fall, the City experienced some setbacks related to the economy similar to what was been experienced across the Country. The significant loss of consumer confidence caused a substantial drop in sales tax revenues in the last half of the year. Sales tax receipts dropped 7.2% compared to 2007. Although sales tax provides for about 28% of general revenues, other taxes and fees remained strong so that the year ended with only a small drop in revenues from 2007. Overall, the City maintains a strong tax base for all taxes, including income and property taxes. Property taxes were not impacted by any drop in values and it is not expected that a decrease will be realized until FY 2010. As a result of the City's good reserves and revenues for 2008, Moody's Investors Service recently reaffirmed the City's debt rating of "Aa3". In light of the economy though, the City is actively working on evaluating its financial sustainability and preparing plans should an economic recovery not occur as quickly as anticipated.

## **Major Initiatives**

The largest initiative undertaken by the City in 2008 was the substantial completion of reconstruction of the City's only river crossing. The Donovan (Wilson St.) Bridge reached substantial completion in 2008. No other capital projects for general activities occurred in 2008. Two new software programs were implemented to aid in technology and several updates were made to the City's GIS system. Mobile reporting is now being done by our police officers through mobile data terminals in the City's squad cars.

The year 2008 did not see a lot of building activity as the economy slowed. While there is still room for construction growth, most construction was stalled during the year with a focus on repairs and modifications to existing structures.

The year 2008 also had a major electric utility project continue from 2007. The City issued \$26.9 million in Revenue Bonds to fund the construction of two 138kV substations and 8 miles of 138kV transmission lines. The majority of the work is completed with a few portions remaining with plans for completion in 2009 and 2010.

For the Future - For 2009, the City will review and prioritize its plans for infrastructure and capital improvements. In light of the economy, no significant capital projects were included in the 2009 budget. The 2009 budget does include \$4 million in capital expenditures for improvements in the City's electric and sewer utilities and another \$2 million for improvements in the City's two active TIF districts. Overall, the City has budgeted \$7.7 million in capital expenditures for 2009 with all of the projects being funded on a pay-as-we go basis.

## **Financial Information**

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Cash Management - Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, money market accounts, United States Agency obligations and obligations of the United States Treasury. As of December 31, 2008, the average yield on City investments of 2.75%. The City earned \$1.04 million on all investments for the year ended December 31, 2008. These earnings were lower than 2007 due to the spend down of bond proceeds and lower interest rates. The City of Batavia has a comprehensive written investment policy, following these certain cash management and investment principles:

- Safety of principal is of foremost importance to the City of Batavia. Each investment transaction will seek first to ensure that capital losses are avoided whether they are from securities defaults or erosion of market value.
- Diversification of investments plays an important part in guaranteeing asset safety. The City maintains diversity in its investments to avoid incurring unreasonable risks from concentrating investments in specific security types and/or particular financial institutions.
- The investment program must serve operating needs of the City. The City's investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements that may be reasonably anticipated in any City fund.
- Public confidence in the investment program and practices is essential. In managing its investment portfolio, the City will avoid any transaction that might impair public confidence in the governing body. Investments shall be made based upon standards of care which would, under then current circumstances, be utilized by reasonable, prudent persons in the management of their own affairs. Such standards emphasize proper investment, rather than speculation. Therefore, the safety of capital is more critical to a determination of appropriate investment than the probable income to be derived.

Risk Management - The City of Batavia purchases property and liability insurance through an insurance broker. The City carries deductibles that range between \$10,000 and \$25,000. Each year City staff evaluates the amount of risk with past history and projected premiums to determine the most prudent and cost effective policy. The City is self-insured for both health and workers compensation insurance with policies in place for excess coverage to protect the City in the event of a large claim.

Pension and Other Post-Employment Benefits - The City sponsors a single-employer defined benefit pension plan for its police and fire officers. Each year, an independent actuary engaged by the City and the pension plans calculates the amount of the annual contribution that the City must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the City fully funds each year's annual required contribution to the respective pension plans as determined by the actuary. The report as of December 31, 2008, reflects funding of the Police Pension at 65.7% and 63.2% for the Firefighter's Pension fund. The remaining unfunded liability is being systematically funded as part of the annual required contribution calculated by the actuary.

The City also provides pension benefits for its non-public safety employees. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). The City has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

Additional information on the City's pension arrangements can be found in the notes in the financial statements.

### **Other Information**

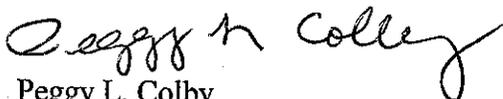
Awards - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2007. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City received its first Certificate of Achievement this past year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and therefore, we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements - The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. I would like to express my sincere appreciation to all, as well as the City Administrator, Mayor and City Council who encourage and insist upon the highest standards of excellence in planning and conducting the financial operations of the City.

Sincerely,



Peggy L. Colby,  
Director of Finance

## **FINANCIAL SECTION**

## **INDEPENDENT AUDITORS' REPORT**

**INDEPENDENT AUDITORS' REPORT**

May 15, 2009

The Honorable Mayor  
Members of the City Council  
City of Batavia, Illinois

We have audited the accompanying basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information for the City of Batavia, as of and for the year ended December 31, 2008, which collectively comprise the City of Batavia's basic financial statements as listed in the table of contents. We also have audited the basic financial statements of the of the City of Batavia's nonmajor governmental funds presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended December 31, 2008. These basic financial statements are the responsibility of the City of Batavia, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Batavia, Illinois as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund statements and schedules, as well as the information listed as supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Batavia, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

City of Batavia, Illinois  
May 15, 2009  
Page 2

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.



LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **CITY OF BATAVIA, ILLINOIS**

### **Management's Discussion and Analysis December 31, 2008**

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As management of the City of Batavia, we offer readers of the City's financial statements this discussion and analysis of the City of Batavia's financial performance. This narrative provides an overview and examination of the financial activities of the City of Batavia for the fiscal year ended December 31, 2008. Please read it in conjunction with the City of Batavia's financial statements, which begin on page 18.

### **Financial Highlights**

- The City of Batavia's total net assets for 2008 were \$158.0 million, an increase of \$2 million. Governmental activities net assets were \$75.2 million with \$11.9 million available to meet ongoing obligations and \$3.9 restricted for capital and other projects. Net assets of business-type activities were \$82.8 million of which \$17.4 million is available for operations.
- During the year, \$27.7 million in tax and other revenues was collected in the City's governmental funds resulting in a deficit of \$.8 million under the \$28.5 million in expenditures, which included \$2.2 million in capital projects.
- Operating revenues for business-type activities were \$43.4 million while operating expenses were \$40.8 million providing ample allowance for debt payments of \$1.8 million.
- The total cost of all programs was \$27.2 million for governmental activities and \$42.7 for business-type activities. No new programs were added this year.
- The General Fund reported a deficit this year of \$.3 million mainly as a result of a decrease in sales tax revenues.
- The City of Batavia's total debt decreased by \$2.9 million, with total debt outstanding of \$64.3 million. A decrease of \$1 million was for governmental activities for total debt outstanding of \$13.9 million. The balance of the decrease of \$1.9 million reduced the balance of debt for business-type activities to \$50.4 million.

### **Using this Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 18-21) provide information about the activities of the City of Batavia as a whole and present a longer-term view of the City of Batavia's finances. Fund financial statements begin on page 22. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City of Batavia's operation in more detail than the government-wide statements by providing information about the City of Batavia's most significant funds. The remaining statements provide financial information about activities for which the City of Batavia acts solely as a trustee or agent for the benefit of those outside of the government.

# CITY OF BATAVIA, ILLINOIS

## Management's Discussion and Analysis December 31, 2008

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### Using this Annual Report – Continued

#### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City of Batavia's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 18 – 21 of this report.

The Statement of Net Assets reports information on all of the City of Batavia's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Batavia is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the City of Batavia's property tax base and the condition of the City of Batavia's roads and other infrastructure, is needed to assess the overall health of the City of Batavia.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes.

Both of the government-wide financial statements distinguish functions of the City of Batavia that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Batavia include general government, public safety, highways and streets, capital outlay and debt service. The business-type activities of the City of Batavia include electric, waterworks, and sewerage.

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Batavia, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Batavia can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

#### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City of Batavia's near-term financing requirements.

# CITY OF BATAVIA, ILLINOIS

## Management's Discussion and Analysis December 31, 2008

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### Using this Annual Report – Continued

#### Fund Financial Statements – Continued

##### Governmental Funds – Continued

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This provides more insight into the long-term impact of Batavia's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City of Batavia maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Infrastructure Capital Projects Fund and the Capital Projects Fund, all of which are considered major funds. Data from the one non-major (permanent) fund is also presented.

The City of Batavia adopts an annual budget for all governmental funds. Compliance with the budget is demonstrated in a budgetary comparison statement for these funds. The basic governmental fund financial statements can be found on pages 22 - 27 of this report.

##### Proprietary Funds

The City of Batavia has one proprietary fund type, which is enterprise. The enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The City's electric, waterworks and sewerage activities are accounted for as enterprise funds.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric, Waterworks and Sewerage Fund, which are considered to be major funds of the City of Batavia. The basic proprietary fund financial statements can be found on pages 28 – 31 of this report.

##### Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Batavia's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 32 - 33 of this report.

# CITY OF BATAVIA, ILLINOIS

## Management's Discussion and Analysis December 31, 2008

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### Using this Annual Report – Continued

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 - 71 of this report.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Batavia's I.M.R.F., police and firefighter's employee pension obligations, the City's other post-employment benefit obligation, and the budgetary schedule of revenues, expenditures, and changes in fund balance for the General Fund. Required supplementary information can be found on pages 72 – 80 of this report.

#### Government-Wide Financial Analysis

The review of net assets over time can provide insight to a government's financial position. For the year 2008, the assets of the City of Batavia exceeded liabilities by \$158.0 million.

The City of Batavia's investment in capital assets net of debt used to acquire capital assets reflects 74.6% of the City of Batavia's net assets. Capital assets include land, buildings, machinery and equipment, roads and utility infrastructure. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the capital assets are reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate the liabilities.

Resources of the City of Batavia, which are subject to external restrictions on how they may be, used account for 6.9% of net assets. The remaining 18.5%, or \$29.2 million, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors. Unrestricted net assets in 2007 were also \$29.2 million thus ending the year 2008 in the same position as 2007.

Net assets of the City of Batavia's governmental activities for 2008 were \$75.2 million. Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints were \$11.9 million at the end this year. Restricted net assets for governmental activities decreased to \$3.9 million, from \$4.2 million in the prior year.

**CITY OF BATAVIA, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2008**

**Government-Wide Financial Analysis – Continued**

Net assets of business-type activities for 2008 were \$82.8 million. These assets cannot be used for governmental activities. The City of Batavia generally can only use these net assets to finance the continuing operations of the electric, waterworks and sewerage operations. Unrestricted net assets were \$17.3 million at the end of 2008. Restricted net assets for business-type activities remained the same at \$7.0 million.

**City of Batavia Net Assets  
(in Millions)**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and Other Assets	\$ 24.9	25.2	27.5	27.9	52.4	53.1
Capital Assets	73.3	73.0	108.9	109.8	182.2	182.8
Total Assets	98.2	98.2	136.4	137.7	234.6	235.9
Long-Term Debt Outstanding	(13.2)	(14.6)	(48.7)	(50.5)	(61.9)	(65.1)
Other Liabilities	(9.8)	(8.9)	(4.9)	(5.9)	(14.7)	(14.8)
Total Liabilities	(23.0)	(23.5)	(53.6)	(56.4)	(76.6)	(79.9)
<b>Net Assets</b>						
Invested in Capital Assets, Net of Debt	59.4	58.0	58.5	57.6	117.9	115.6
Restricted	3.9	4.2	7.0	7.0	10.9	11.2
Unrestricted	11.9	12.5	17.3	16.7	29.2	29.2
<b>Total Net Assets</b>	<b>75.2</b>	<b>74.7</b>	<b>82.8</b>	<b>81.3</b>	<b>158.0</b>	<b>156.0</b>

At the end of the current fiscal year, the City of Batavia is able to report positive balances as a whole and individually for governmental and business-type activities, which was also the case in the prior year.

The City of Batavia's governmental funds had only a slight increase in net assets of \$.5 million in 2008 compared to \$4.6 million in 2007. The lower increase was a result of no major capital projects undertaken during the year. Business-type activities increased \$1.5 million compared to \$4.2 million the prior year, also a result of few capital additions.

**CITY OF BATAVIA, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2008**

**Government-Wide Financial Analysis – Continued**

Please refer to the following chart for a depiction of revenues, expenses and change in net assets for the City of Batavia's governmental and business-type activities.

**Changes in Net Assets  
(in Millions)**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 3.9	4.3	43.5	43.2	47.4	47.5
Operating Grants/Contributions	0.2	0.2	0.1	-	0.3	0.2
Capital Grants/Contributions	1.0	1.9	-	-	1.0	1.9
General Revenues						
Property Taxes	6.8	6.5	-	-	6.8	6.5
Sales Taxes	7.1	7.6	-	-	7.1	7.6
Utility Taxes	3.3	3.1	-	-	3.3	3.1
Intergovernmental	3.1	2.6	-	-	3.1	2.6
Interest	0.5	1.0	0.6	1.6	1.1	2.6
Other General Revenues	1.8	2.9	-	-	1.8	2.9
<b>Total Revenues</b>	<b>27.7</b>	<b>30.1</b>	<b>44.2</b>	<b>44.8</b>	<b>71.9</b>	<b>74.9</b>
<b>Expenses</b>						
General Government	8.1	6.4	-	-	8.1	6.4
Public Safety	12.1	12.2	-	-	12.1	12.2
Highways and Streets	6.3	6.2	-	-	6.3	6.2
Interest on Long-Term Debt	0.7	0.7	-	-	0.7	0.7
Waterworks	-	-	4.4	4.2	4.4	4.2
Sewerage	-	-	4.2	4.5	4.2	4.5
Electric	-	-	34.1	31.9	34.1	31.9
<b>Total Expenses</b>	<b>27.2</b>	<b>25.5</b>	<b>42.7</b>	<b>40.6</b>	<b>69.9</b>	<b>66.1</b>
<b>Increase in Net Assets Before Transfers</b>	<b>0.5</b>	<b>4.6</b>	<b>1.5</b>	<b>4.2</b>	<b>2.0</b>	<b>8.8</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase in Net Assets</b>	<b>0.5</b>	<b>4.6</b>	<b>1.5</b>	<b>4.2</b>	<b>2.0</b>	<b>8.8</b>
<b>Net Assets - Beginning</b>	<b>74.7</b>	<b>70.1</b>	<b>81.3</b>	<b>77.1</b>	<b>156.0</b>	<b>147.2</b>
<b>Net Assets - Ending</b>	<b>75.2</b>	<b>74.7</b>	<b>82.8</b>	<b>81.3</b>	<b>158.0</b>	<b>156.0</b>

# CITY OF BATAVIA, ILLINOIS

## Management's Discussion and Analysis December 31, 2008

### Government-Wide Financial Analysis – Continued

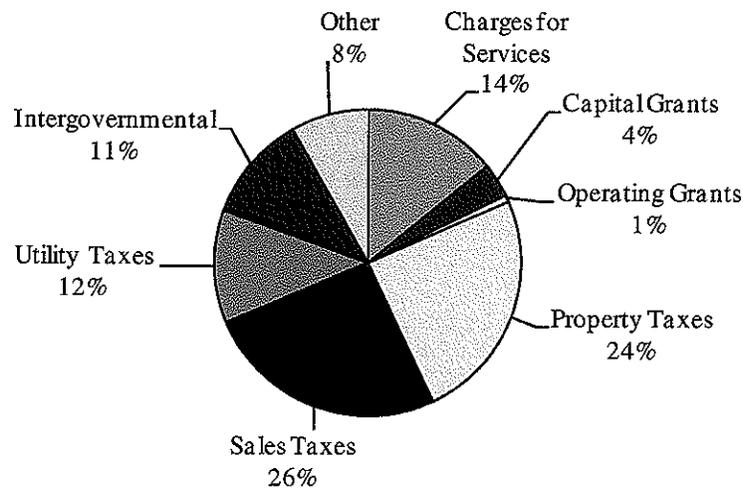
#### Governmental Activities

The 2008 revenues for governmental activities were \$27.7 million, while total program expenses were \$27.2 million. Total revenues for governmental activities for 2008 were \$2.4 million less than 2007 revenues of \$30.1 million and program expenses for 2008 were \$1.7 million more than 2007 program expenses of \$25.5 million.

The difference in revenues of \$2.4 million is attributable in part to a large grant received in 2007 causing a variance in that year coupled with a decrease in sales tax revenues of \$.5 million and lower interest revenues of \$.5 million due to the spend down of bond proceeds and lower interest rates in 2008.

The following chart depicts the major revenue sources of the City of Batavia. It illustrates very clearly the reliance on taxes to fund governmental activities.

**Revenues by Source - Governmental Activities**



Sales taxes declined in 2007 and 2008 and continue to be under pressure from both outside retail and economic forces, yet still represent the largest revenue source for the City. The City implemented a non-home rule sales tax of .50% in 2006 which augmented that percentage. Without that additional revenue, property taxes would represent the largest share of revenues.

The City is currently under the Illinois property tax cap for Counties surrounding the Chicago area. As a result the City's tax rate has declined; however, collections have still increased due to new construction and increases in property values. Property taxes for governmental activities created an additional \$300,000 in revenues in 2008.

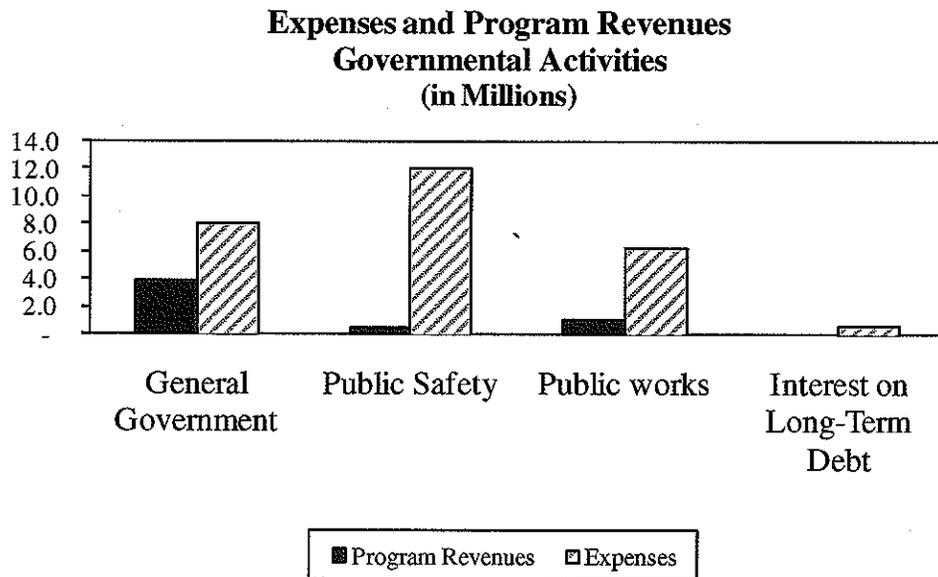
Receipts for intergovernmental revenues provided an additional \$500,000 in receipts while utility taxes provided an additional \$219,000 in revenues. These increases were offset by decreases for permits and other charges for service revenue of \$400,000.

CITY OF BATAVIA, ILLINOIS

Management's Discussion and Analysis  
December 31, 2008

Government-Wide Financial Analysis – Continued

Governmental Activities – Continued



The 'Expenses and Program Revenues' chart displays the total program revenue in relation to the applicable functions. As is typical with governmental activities, these programs, especially public safety, are nearly fully supported by general revenues, rather than program revenues.

Since these expenditures are heavily reliant on general revenues, which can be impacted by the economy, management is acutely mindful during the budget process to ensure the necessity of all expenditures. Also as in most cities, public safety represents the majority of expenditures at 48% followed by general government operations at 32%.

**CITY OF BATAVIA, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2008**

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**Government-Wide Financial Analysis – Continued**

**Business-Type Activities**

Revenues for business-type activities were \$44.2 million and expenses were \$42.7 million.

- The water utility completed the final phase of construction on a multi-year capital improvement plan totaling just under \$16 million to gain compliance with the EPA standard for radium levels in 2007 and as a result very few capital improvements were needed in 2008. The most significant capital expense was for the purchase of land from the City's electric utility for \$500,000 to secure a location for future sites for water infrastructure. Other water improvements included the completion of the rehabilitation of an older water tower on the City's east side.
- The City's sanitary sewer system has been undergoing an extensive evaluation, which continued through 2008. The results of the study will provide a comprehensive analysis of the storm and sanitary sewer lines along with treatment capacity. It is anticipated that the study will assist in prioritizing a long-term capital plan for the sewer system. An initial rate increase of 5% was implemented in 2008 and a slight change to the summer sewer discount program is planned for 2009 to begin funding the cost of needed improvements.
- In addition to water and sewer, the City of Batavia operates a municipal electric utility to transmit and distribute electricity for those within the municipal borders. The means of obtaining and providing power has changed significantly since the end of an all-requirements contract in 2007. As a result of deregulation, the City now obtains power through bilateral contracts and the daily market. At the end of 2008, the City had contracts for power supply through 2011. City staff, in conjunction with professional resources, continues to evaluate the City's power supply portfolio. A vast majority of the City's power supply beyond 2012 will be supplied through an ownership share in a southern Illinois coal mine which will be phased into operation beginning in June, 2012.
- Capital improvements for the electric utility in 2008 included system extension and completion of contracts related to a significant investment in new infrastructure to allow power to be received at 138 kV. The 138 kV project included the construction of two 138 kV substations and about 8 miles of 138 kV transmission lines. The City issued \$26.9 million in revenue bonds at the end of 2007 to fund the project. Two rate increases of 8.9% were done in 2007 and 2008 to provide for debt repayment.

# CITY OF BATAVIA, ILLINOIS

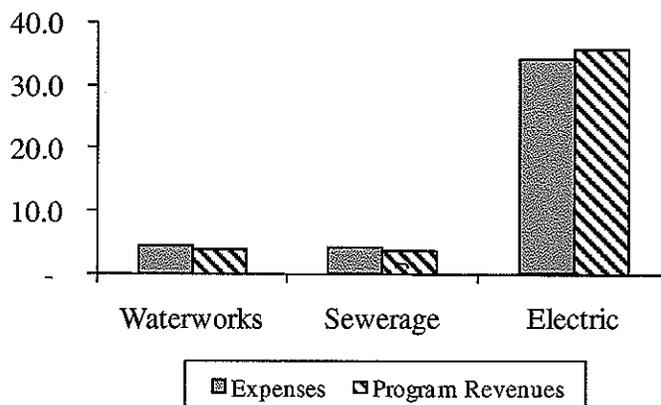
Management's Discussion and Analysis  
December 31, 2008

## Government-Wide Financial Analysis – Continued

### Business-Type activities – Continued

The graph compares program revenues to expenses for electric waterworks and sewerage operations. As evidenced, both water and sewer are lagging slightly behind operational expenses. An internal review of the rate structure will be done in 2009 to determine if a more in depth rate study will be required or if a change to the rates can be implemented from that review. The electric utility has already initiated a cost of service and rate study which will be completed in mid-2009. The review will evaluate the current rate structure to ensure sufficient rates will be in place to meet future operational and capital needs. A significant factor in all of the rate reviews will be the impact to rate payers and the comparability with surrounding utilities.

**Expenses and Program Revenues  
Business-Type Activities  
(in Millions)**



## Financial Analysis of the Government's Funds

As noted earlier, the City of Batavia uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

- As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$16.2 million, in contrast to last year's \$17.0 million. Included in this year's total change in fund balance was a decrease of \$.3 million in the Infrastructure Capital Projects Fund for bridge construction and land acquisition in one of the City's TIF districts. A small decrease of \$0.14 million occurred in the Capital Projects Fund with the purchase of fire apparatus.

## CITY OF BATAVIA, ILLINOIS

### Management's Discussion and Analysis December 31, 2008

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#### Financial Analysis of the Government's Funds – Continued

##### Governmental Funds – Continued

- The General Fund portion of the Governmental Fund balances had a decrease of \$.33 million that is mainly due to decreased tax revenues. Sales tax for 2008, which accounts for 27% of General Fund revenues, decreased 7% which amounted to almost \$550,000 less in receipts compared to 2007. Offsetting the decrease to sales tax was an increase of 7% in utility taxes, providing an additional \$219,000 and a 6% increase in income tax providing another \$133,000. On the expenditure side, expenses increased mainly as a result of an unusually bad year for workers compensation claims, which were three times higher than the prior year, resulting in an additional \$1 million in claims paid. City staff is working with a safety consultant to implement further policies and procedures for employee safety. Other factors that affected the General Fund also affected Governmental Activities and can be reviewed in the section on governmental activities that was highlighted on pages 9 and 10.

##### Proprietary Funds

The City of Batavia's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the electric, waterworks and sewerage funds as major proprietary funds, which account for all operations of the municipal electric, water and sewer systems.

- Water is currently provided from 3 deep wells and 3 shallow wells at a 2008 rate of \$2.79 per hundred cubic feet. Water currently has \$12.7 million outstanding in IEPA loans for recent capital improvements and \$.7 million in outstanding GO debt issued for the water fund. A rate structure is in place to ensure debt coverage. The sewer fund has \$9.8 million in outstanding debt for prior improvements. The current rate structure of \$2.40 per hundred cubic feet is sufficient to cover this debt but not future projects; therefore a 5% rate increase was implemented in 2008. Even so, the increase does not appear to be sufficient and further increases to revenues will be needed in 2010 or beyond.
- Batavia's electric rates were increased 8.9% in 2008. The increase was put in place in anticipation of increased contract power prices and to ensure debt coverage for a \$26.9 million revenue bond issuance to fund the construction of 138 kV infrastructure, which will provide more reliable power in addition to tangible savings in distribution charges.
- In addition to the 138 kV project, the City has secured an interest in a coal power generation plant (Prairie State) in Southern Illinois for the City's future power needs. The City and two other municipalities formed Northern Illinois Municipal Power Agency (NIMPA) in 2004 as a joint action intergovernmental agency for meeting the power needs of all three municipalities for Prairie State and other projects. There was a sizeable debt issue in 2007 for the project through NIMPA. The accounting and reporting for this transaction will be as a purchased power contract through NIMPA.

## CITY OF BATAVIA, ILLINOIS

### Management's Discussion and Analysis December 31, 2008

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#### Financial Analysis of the Government's Funds – Continued

##### Proprietary Funds – Continued

- Net assets of the electric fund for 2008 were \$41.7 million compared to \$39.6 million at the beginning of the year. The increase is mainly due to the investment in capital assets related to the 138 kV capital project. However, lower operating expenses for the electric utility also provided a boost to available cash and investments due to some vacancies in personnel that extended longer than expected. Net assets for the waterworks fund were \$18.1 million compared to \$18.3 million and the sewerage fund ended the year with \$23.0 million a decrease from the prior year balance of \$23.4 million. As mentioned above, a rate increase of 5% was done in 2008 to replenish sewer reserves, however with depreciation expense, net assets still decreased, therefore further plans to augment wastewater revenues are planned for 2009 and most likely another rate increase will be recommended for 2010. Other factors concerning the finances of these three funds have already been addressed in the City of Batavia's discussion of business-type activities.

#### General Fund Budgetary Highlights

Over the course of the year, the budget was revised to reflect project carryovers and intra-department budget changes between line items. There were a few substantial increases to the City's budget in 2008. The first was for \$135,000 for additional the purchase and installation of a new city-wide phone system. The project had been planned and budgeted for 2007 but was unable to be completed in time and therefore resulted in an amendment to the 2008 budget. Other increases to the budget were all related to highways and streets. There was an \$87,000 increase to the double time budget due to an exceptional snow and storm season that required work during the nighttime hours. The additional plowing also resulted in necessary increases of \$45,000 to the fuel budget and \$110,000 to the salt and deicer budget. Other minor amendments included increases to the budget totaling \$54,800 for the street and sidewalk improvements done in 2008. The final budget for general fund expenditures ended the year \$402,000 more than the original budget for these reasons. Reserves were sufficient to cover these amendments.

Actual expenditures in 2008 were only \$0.1 million below budget. While expenses were mainly on target, there were some variances over and under budget to result in the \$100,000 difference. A one-time credit to the City's contract for ambulance service resulted in a \$95,000 reduction to expenditures. The police expenditures ended the year \$274,000 less than budgeted with the most significant variance in wages and overtime due to a military absence and monitoring of overtime. This savings was offset by an overage in general government due to workers compensation claims being higher than anticipated.

Receipts in the general fund revenue budget were \$.2 million under the final budgeted amount. The largest variance was in sales taxes which were \$500,000 less than budgeted and taxes were \$500,000 more than budgeted but offset by \$400,000 more than budgeted for utility and income taxes. The remaining variance was due to receipts lower than budget for building permits and police fines.

**CITY OF BATAVIA, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2008**

**Capital Assets and Debt Administration**

**Capital Assets**

The City of Batavia's investment in capital assets, net of accumulated depreciation, for all activities as of December 31, 2008 was \$182.8 million. Capital assets include land and improvements, buildings and improvements, machinery and equipment, roads, sidewalks, bridges and utility infrastructure. After depreciation, Batavia's investment in capital assets had no change in 2008. While governmental activities capital assets increased by \$300,000, business type activities decreased by the same amount. Following are 2008 major additions (in millions).

Donovan (Wilson St.) Bridge - CWIP	0.8
Streets & Infrastructure	1.0
Machinery & Equipment	0.7
138 kV Project - CWIP	1.1
Electric Lines & Equipment	<u>0.8</u>
	<u>4.4</u>

**Capital Assets - Net of Depreciation  
(in Millions)**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 18.4	18.2	1.1	1.0	19.5	19.2
Construction in Progress	3.4	2.8	32.2	31.2	35.6	34.0
Structures & Improvements	15.7	15.8	10.3	10.6	26.0	26.4
Wells & Equipment	-	-	2.9	3.0	2.9	3.0
Machinery & Equipment	2.9	2.6	0.7	0.8	3.6	3.4
Electric System	-	-	17.1	17.3	17.1	17.3
Water/Sewer System	-	-	44.6	45.9	44.6	45.9
Infrastructure	32.9	33.6	-	-	32.9	33.6
<b>Total</b>	<u>73.3</u>	<u>73.0</u>	<u>108.9</u>	<u>109.8</u>	<u>182.2</u>	<u>182.8</u>

Capital improvements in 2008 were low compared to prior years and did not call for any significant projects aside from completion of projects started in prior years. The 2009 budget provides for \$1.9 million in TIF projects for governmental activities and \$4.0 million in business type activities projects. Additional information on capital assets for the City of Batavia can be found in note 3 on pages 50 – 52 of this report.

# CITY OF BATAVIA, ILLINOIS

## Management's Discussion and Analysis December 31, 2008

### Capital Assets and Debt Administration— Continued

#### Debt Administration

At year-end, the City of Batavia had total outstanding bonded debt of \$64.3 million as compared to \$67.2 million the previous year. New debt of \$95,633 in 2008 was for water construction drawdowns on existing IEPA loans.

#### General Obligation and Revenue Bonds (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Installment Contracts	\$ -	-	-	-	-	-
General Obligation Bonds	3.7	4.1	1.0	1.3	4.7	5.4
Alternate Revenue Bonds	10.2	10.8	-	-	10.2	10.8
Revenue bonds and notes	-	-	49.4	51.0	49.4	51.0
Total	13.9	14.9	50.4	52.3	64.3	67.2

The City of Batavia follows a pay-as-we-go capital funding policy whenever practical. The issuance of debt is thoroughly evaluated to ensure pay back to bondholders through the life of the bonds and to ensure sufficient long-term value of the capital assets funded with debt.

The City of Batavia maintained the high rating of Aa3 from Moody's for its general obligation debt. The bond rating for the electric revenue bonds was A1 from Moody's and A- from Fitch.

The City of Batavia's legal debt limit is 8.625% of the current EAV. The City's legal debt limit beyond existing debt for 2008 is \$88.7 million. Additional information on the City of Batavia's long-term debt can be found in Note 3 on pages 53 – 60 of this report.

#### Economic Factors and Next Year's Budget and Rates

The City's elected and appointed officials considered many factors when planning the 2009 budget, including tax rates and fees that will be charged for its governmental and business-type activities. Batavia's unemployment rate for 2008 increased from 3.8% in 2007 to 5.1%, but remained lower than the Kane County rate of 5.8%, the state rate of 6.3% and the national rate of 6.5%. Historically, Batavia's unemployment rate has been lower than the national average.

Inflation in the Chicago area on an annual average basis was the same as the national Consumer Price Index (CPI) with an increase of 3.8% for 2008. Inflation for the Chicago area and the national average for 2007 were 3.3% and 2.8% respectively.

## **CITY OF BATAVIA, ILLINOIS**

### **Management's Discussion and Analysis December 31, 2008**

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#### **Economic Factors and Next Year's Budget and Rates – Continued**

Overall, Batavia experienced tough economic times in 2008, much like the rest of the country. While the per capita income of Batavia residents exceeds the state average, the impact of job losses and losses in the stock market has not left the City unscathed. It is expected that the City will not see a recovery in revenues until late 2009 and to what extent it will occur is uncertain. At the time of preparing the 2009 budget, it was projected that decreases in revenues would be experienced. In conjunction with those projections, an overview of services provided was done that resulted in the elimination from the 2009 budget of 5 part-time positions and 2 full-time positions. Expenditures in all areas were also trimmed to the fullest extent possible without impacting core services provided. Plans for beyond 2009 are also being laid to ensure the City's long term economic sustainability.

The economic forecast for all of these indicators was taken into account when adopting the general fund budget for 2009. Amounts budgeted in the general fund budget were \$27.3 million, an increase of only 1.1% over the final 2008 budget of \$27.0 million. The general fund budget for 2009 did not provide for any new programs or additions to staff, rather it included a reduction in staff mentioned above as of June 1, 2009. All expenditures in the 2009 were thoroughly evaluated and cut back in many areas in light of unknown impacts to 2009 revenues. While property taxes are expected to be slightly higher than the previous year, it is unknown how deep the impact of the economy will be on sales tax in 2009. However, it should be noted that the City has sufficient reserves amounting to approximately 128 days of operating expenses and therefore service operation should not be impacted should revenues dip lower than anticipated.

Total 2009 budgeted expenditures for all funds, net of capital spending, are 6.4% over the final 2008 expenditures. The increase is mainly attributable to increased purchased power costs in the electric utility. Net of purchased power costs, the increase lowers to 3.8% and that is attributable to increased wages and higher utility costs for operation of the water and wastewater plants.

Since the 2009 budget does not include any major capital projects or programs, it will allow for a thorough review of the exiting processes and policies to ensure that tax dollars are being utilized in the most efficient manner. Management will also continue to focus on economic development in order to maintain and diversify our economic base.

#### **Requests for Information**

This financial report is designed to provide a general overview of the City of Batavia's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Finance Director, City of Batavia, 100 N Island Av., Batavia, IL 60510.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Net Assets  
December 31, 2008**

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See Following Page

**CITY OF BATAVIA, ILLINOIS**

**Statement of Net Assets  
December 31, 2008**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments	\$ 15,886,430	13,044,476	28,930,906
Receivables - Net of Allowances			
Property Taxes	6,081,347	-	6,081,347
Other Taxes	1,997,258	-	1,997,258
Accounts	187,749	5,268,779	5,456,528
Accrued Interest	24,045	71,068	95,113
Due from Other Governments	495,006	-	495,006
Inventories and Prepaids	234,412	1,792,000	2,026,412
Restricted Cash and Investments	-	7,362,351	7,362,351
<b>Total Current Assets</b>	<b>24,906,247</b>	<b>27,538,674</b>	<b>52,444,921</b>
<b>Capital Assets</b>			
Nondepreciable	21,830,973	33,326,323	55,157,296
Depreciable	73,402,775	110,470,171	183,872,946
Accumulated Depreciation	(21,953,174)	(34,918,064)	(56,871,238)
<b>Total Noncurrent Assets</b>	<b>73,280,574</b>	<b>108,878,430</b>	<b>182,159,004</b>
<b>Total Assets</b>	<b>98,186,821</b>	<b>136,417,104</b>	<b>234,603,925</b>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	475,267	2,326,254	2,801,521
Accrued Payroll	513,620	142,070	655,690
Claims Payable	1,171,798	-	1,171,798
Deposits Payable	153,946	113,398	267,344
Accrued Interest Payable	255,009	-	255,009
Unearned Revenue	6,100,083	-	6,100,083
Current Portion Long-Term Debt	1,099,875	-	1,099,875
<b>Restricted Liabilities</b>			
Accrued Interest Payable	-	637,405	637,405
Current Portion Long-Term Debt	-	1,715,930	1,715,930
<b>Total Current Liabilities</b>	<b>9,769,598</b>	<b>4,935,057</b>	<b>14,704,655</b>
<b>Noncurrent Liabilities</b>			
Net Pension Obligation Payable	375,424	-	375,424
Net Other Postemployment Benefit Payable	32,720	-	32,720
Revenue Bonds Payable	-	48,011,721	48,011,721
Alternate Revenue Bonds Payable	9,555,000	-	9,555,000
General Obligation Bonds Payable	3,257,225	657,900	3,915,125
<b>Total Noncurrent Liabilities</b>	<b>13,220,369</b>	<b>48,669,621</b>	<b>61,889,990</b>
<b>Total Liabilities</b>	<b>22,989,967</b>	<b>53,604,678</b>	<b>76,594,645</b>
<b>NET ASSETS</b>			
Invested in Capital Assets - Net of Related Debt	59,368,474	58,492,879	117,861,353
<b>Restricted - Nonexpendable</b>			
Special Revenues	1,603,635	-	1,603,635
Tax Increment Financing/Debt Service	725,773	6,965,719	7,691,492
Perpetual Care Cemetery	123,240	-	123,240
<b>Restricted - Expendable</b>			
Capital Projects	1,446,175	-	1,446,175
Unrestricted	11,929,557	17,353,828	29,283,385
<b>Total Net Assets</b>	<b>75,196,854</b>	<b>82,812,426</b>	<b>158,009,280</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Activities  
Year Ended December 31, 2008**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 8,146,104	3,764,086	-	-
Public Safety	12,121,625	171,223	234,567	-
Highways and Streets	6,260,339	-	-	1,008,624
Interest on Long-Term Debt	645,989	-	-	-
<b>Total Governmental Activities</b>	<b>27,174,057</b>	<b>3,935,309</b>	<b>234,567</b>	<b>1,008,624</b>
<b>Business-Type Activities</b>				
Waterworks	4,396,820	4,087,625	1,631	58,884
Sewerage	4,208,916	3,691,018	17,096	80,280
Electric	34,045,301	35,665,614	-	-
<b>Total Business-Type Activities</b>	<b>42,651,037</b>	<b>43,444,257</b>	<b>18,727</b>	<b>139,164</b>
	<b>69,825,094</b>	<b>47,379,566</b>	<b>253,294</b>	<b>1,147,788</b>

General Revenues  
 Taxes - Property Tax  
 Taxes - Sales Tax  
 Taxes - Utility Tax  
 Intergovernmental - Income Tax  
 Intergovernmental - Replacement Tax  
 Intergovernmental - Other  
 Interest Income  
 Miscellaneous  
 Internal Activity - Transfers

Change in Net Assets  
 Net Assets - Beginning  
 Net Assets - Ending

The notes to the financial statements are an integral part of this statement.

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
(4,382,018)	-	(4,382,018)
(11,715,835)	-	(11,715,835)
(5,251,715)	-	(5,251,715)
(645,989)	-	(645,989)
(21,995,557)	-	(21,995,557)
-	(248,680)	(248,680)
-	(420,522)	(420,522)
-	1,620,313	1,620,313
-	951,111	951,111
(21,995,557)	951,111	(21,044,446)
6,767,017	-	6,767,017
7,087,893	-	7,087,893
3,300,786	-	3,300,786
2,759,628	-	2,759,628
215,708	-	215,708
89,736	-	89,736
427,370	615,593	1,042,963
1,815,544	-	1,815,544
20,837	(20,837)	-
22,484,519	594,756	23,079,275
488,962	1,545,867	2,034,829
74,707,892	81,266,559	155,974,451
75,196,854	82,812,426	158,009,280

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Balance Sheet - Governmental Funds  
December 31, 2008**

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	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 13,263,710
Receivables - Net of Allowances	
Property Taxes	5,586,054
Other Taxes	1,997,258
Accounts	187,749
Accrued Interest	22,171
Due from Other Governments	261,361
Prepays	217,222
Inventories	<u>17,190</u>
 Total Assets	 <u><u>21,552,715</u></u>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities	
Accounts Payable	167,225
Accrued Payroll	513,620
Claims Payable	1,171,798
Deposits Payable	153,946
Accrued Interest Payable	-
Unearned/Deferred Revenues	<u>5,604,790</u>
Total Liabilities	<u>7,611,379</u>
Fund Balances	
Reserved - Prepays/Inventory	234,412
Reserved - Tax Increment Financing	-
Reserved - Debt Service	-
Reserved - Special Revenues	1,603,635
Reserved - Perpetual Care Cemetery	-
Unreserved	<u>12,103,289</u>
Total Fund Balances	<u>13,941,336</u>
 Total Liabilities and Fund Balances	 <u><u>21,552,715</u></u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Infrastructure Capital Projects	Capital Projects	Nonmajor Perpetual Care Cemetery	Total Governmental Funds
980,782	768,584	750,489	122,865	15,886,430
495,293	-	-	-	6,081,347
-	-	-	-	1,997,258
-	-	-	-	187,749
-	-	1,499	375	24,045
-	179,645	54,000	-	495,006
-	-	-	-	217,222
-	-	-	-	17,190
<b>1,476,075</b>	<b>948,229</b>	<b>805,988</b>	<b>123,240</b>	<b>24,906,247</b>
-	248,092	59,950	-	475,267
-	-	-	-	513,620
-	-	-	-	1,171,798
-	-	-	-	153,946
247,117	-	-	-	247,117
495,293	-	-	-	6,100,083
<b>742,410</b>	<b>248,092</b>	<b>59,950</b>	<b>-</b>	<b>8,661,831</b>
-	-	-	-	234,412
702,872	-	-	-	702,872
30,793	-	-	-	30,793
-	-	-	-	1,603,635
-	-	-	123,240	123,240
-	700,137	746,038	-	13,549,464
<b>733,665</b>	<b>700,137</b>	<b>746,038</b>	<b>123,240</b>	<b>16,244,416</b>
<b>1,476,075</b>	<b>948,229</b>	<b>805,988</b>	<b>123,240</b>	<b>24,906,247</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to the  
Statement of Net Assets - Governmental Activities**

**December 31, 2008**

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**Total Governmental Fund Balances** **\$ 16,244,416**

Amounts reported for governmental activities in the Statement of Net Assets  
are different because:

Capital assets used in governmental activities are not financial  
resources and therefore, are not reported in the funds. 73,280,574

Long-term liabilities are not due and payable in the current  
period and therefore are not reported in the funds.

Net Pension Obligation Payable	(375,424)
Net Other Postemployment Benefit Payable	(32,720)
General Obligation Bonds Payable	(3,692,100)
Alternate Revenue Bonds Payable	(10,220,000)
Accrued Interest Payable	<u>(7,892)</u>

**Net Assets of Governmental Activities** 75,196,854

**CITY OF BATAVIA, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
Year Ended December 31, 2008**

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See Following Page

**CITY OF BATAVIA, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
Year Ended December 31, 2008**

	<u>General</u>
<b>Revenues</b>	
Taxes	\$ 15,737,163
Intergovernmental	4,052,094
Licenses and Permits	263,420
Charges for Services	3,456,799
Fines and Forfeits	171,223
Interest	368,560
Miscellaneous	1,814,588
<b>Total Revenues</b>	<u>25,863,847</u>
<b>Expenditures</b>	
<b>Current</b>	
General Government	8,026,700
Public Safety	11,949,809
Highways and Streets	4,621,617
Capital Outlay	-
Debt Service	
Principal Retirement	110,000
Interest and Fiscal Charges	18,580
<b>Total Expenditures</b>	<u>24,726,706</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,137,141</u>
<b>Other Financing Sources (Uses)</b>	
Transfers In	-
Transfers Out	(1,462,328)
	<u>(1,462,328)</u>
<b>Net Change in Fund Balances</b>	(325,187)
<b>Fund Balances - Beginning</b>	<u>14,266,523</u>
<b>Fund Balances - Ending</b>	<u>13,941,336</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Infrastructure Capital Projects	Capital Projects	Nonmajor Perpetual Care Cemetery	Total Governmental Funds
1,183,597	234,936	-	-	17,155,696
-	202,169	54,000	-	4,308,263
-	-	-	-	263,420
-	-	34,217	9,650	3,500,666
-	-	-	-	171,223
15,832	19,678	20,290	3,010	427,370
956	-	-	-	1,815,544
1,200,385	456,783	108,507	12,660	27,642,182
-	-	-	10,000	8,036,700
-	-	-	-	11,949,809
-	-	-	-	4,621,617
-	1,591,823	578,021	-	2,169,844
926,350	-	-	-	1,036,350
628,927	-	-	-	647,507
1,555,277	1,591,823	578,021	10,000	28,461,827
(354,892)	(1,135,040)	(469,514)	2,660	(819,645)
1,770,435	810,335	325,000	-	2,905,770
(1,422,605)	-	-	-	(2,884,933)
347,830	810,335	325,000	-	20,837
(7,062)	(324,705)	(144,514)	2,660	(798,808)
740,727	1,024,842	890,552	120,580	17,043,224
733,665	700,137	746,038	123,240	16,244,416

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Activities**

**Year Ended December 31, 2008**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (798,808)

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	1,865,694
Depreciation Expense	(1,406,925)

The net effect of various transactions involving capital assets  
is to decrease net assets.

Disposals - Cost	(565,282)
Disposals - Accumulated Depreciation	395,120

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Increase in Net Pension Obligation	(5,985)
Increase in Net Other Postemployment Benefit	(32,720)
Retirement of Debt	1,036,350

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current Financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

1,518

**Changes in Net Assets of Governmental Activities**

488,962

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Net Assets - Proprietary Funds  
December 31, 2008**

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See Following Page

**CITY OF BATAVIA, ILLINOIS**

**Statement of Net Assets - Proprietary Funds  
December 31, 2008**

	Business-Type Activities - Enterprise Funds			
	Waterworks	Sewerage	Electric	Total
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments	\$ 2,647,215	1,249,214	9,148,047	13,044,476
Receivables - Net of Allowances				
Accounts	505,472	512,416	4,250,891	5,268,779
Accrued Interest	14,287	2,022	54,759	71,068
Prepays	44,259	44,259	64,686	153,204
Inventories	-	-	1,638,796	1,638,796
Restricted Cash and Investments	-	837,098	6,525,253	7,362,351
<b>Total Current Assets</b>	<b>3,211,233</b>	<b>2,645,009</b>	<b>21,682,432</b>	<b>27,538,674</b>
<b>Noncurrent Assets</b>				
Capital Assets				
Nondepreciable	907,733	89,066	32,329,524	33,326,323
Depreciable	34,845,286	42,705,494	32,919,391	110,470,171
Accumulated Depreciation	(7,019,963)	(12,487,031)	(15,411,070)	(34,918,064)
<b>Total Noncurrent Assets</b>	<b>28,733,056</b>	<b>30,307,529</b>	<b>49,837,845</b>	<b>108,878,430</b>
<b>Total Assets</b>	<b>31,944,289</b>	<b>32,952,538</b>	<b>71,520,277</b>	<b>136,417,104</b>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise Funds			
	Waterworks	Sewerage	Electric	Total
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	36,416	56,801	2,233,037	2,326,254
Accrued Payroll	40,889	31,611	69,570	142,070
Deposits Payable	11,296	11,156	90,946	113,398
<b>Restricted Liabilities</b>				
Accrued Interest Payable	17,098	50,604	569,703	637,405
Revenue Bonds Payable	-	1,107,280	295,000	1,402,280
General Obligation Bonds Payable	313,650	-	-	313,650
<b>Total Current Liabilities</b>	<b>419,349</b>	<b>1,257,452</b>	<b>3,258,256</b>	<b>4,935,057</b>
<b>Noncurrent Liabilities</b>				
Revenue Bonds Payable	12,742,842	8,693,879	26,575,000	48,011,721
General Obligation Bonds Payable	657,900	-	-	657,900
<b>Total Noncurrent Liabilities</b>	<b>13,400,742</b>	<b>8,693,879</b>	<b>26,575,000</b>	<b>48,669,621</b>
<b>Total Liabilities</b>	<b>13,820,091</b>	<b>9,951,331</b>	<b>29,833,256</b>	<b>53,604,678</b>
<b>NET ASSETS</b>				
<b>Invested in Capital Assets - Net of Related Debt</b>				
	15,018,664	20,506,370	22,967,845	58,492,879
<b>Restricted - Debt Service</b>	-	560,000	6,405,719	6,965,719
<b>Unrestricted</b>	<b>3,105,534</b>	<b>1,934,837</b>	<b>12,313,457</b>	<b>17,353,828</b>
<b>Total Net Assets</b>	<b>18,124,198</b>	<b>23,001,207</b>	<b>41,687,021</b>	<b>82,812,426</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds  
Year Ended December 31, 2008**

	Business-Type Activities - Enterprise Funds			
	Waterworks	Sewerage	Electric	Totals
Operating Revenues				
Charges for Services	\$ 4,087,625	3,691,018	35,665,614	43,444,257
Operating Expenses				
Administration	855,113	773,411	2,084,097	3,712,621
Operations	2,175,509	1,821,531	29,637,171	33,634,211
Depreciation	987,803	1,325,923	1,122,655	3,436,381
Total Operating Expenses	4,018,425	3,920,865	32,843,923	40,783,213
Operating Income (Loss)	69,200	(229,847)	2,821,691	2,661,044
Nonoperating Revenues (Expenses)				
Connection Fees	1,631	17,096	-	18,727
Interest Income	102,173	61,812	451,608	615,593
Disposal of Capital Assets	(20,286)	-	(61,598)	(81,884)
Interest and Fiscal Charges	(358,109)	(288,051)	(1,139,780)	(1,785,940)
	(274,591)	(209,143)	(749,770)	(1,233,504)
Income (Loss) Before Contributions and Transfers	(205,391)	(438,990)	2,071,921	1,427,540
Capital Contributions	58,884	80,280	-	139,164
Transfers Out	(20,837)	-	-	(20,837)
Change in Net Assets	(167,344)	(358,710)	2,071,921	1,545,867
Net Assets - Beginning	18,291,542	23,359,917	39,615,100	81,266,559
Net Assets - Ending	18,124,198	23,001,207	41,687,021	82,812,426

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Cash Flows - Proprietary Funds  
Year Ended December 31, 2008**

	Business-Type Activities - Enterprise Funds			
	Water	Sewerage	Electric	Totals
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers and Users	\$ 4,095,696	3,648,949	35,624,879	43,369,524
Payments to Employees	(753,647)	(726,206)	(1,855,554)	(3,335,407)
Payments to Suppliers	(2,495,635)	(1,875,104)	(30,664,960)	(35,035,699)
	<u>846,414</u>	<u>1,047,639</u>	<u>3,104,365</u>	<u>4,998,418</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Connection Fees	1,631	17,096	-	18,727
Transfers Out	(20,837)	-	-	(20,837)
	<u>(19,206)</u>	<u>17,096</u>	<u>-</u>	<u>(2,110)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of Capital Assets	(876,782)	-	(1,573,531)	(2,450,313)
Interest and Fiscal Charges	(358,109)	(288,051)	(1,139,780)	(1,785,940)
Payment of Bond Principal	(864,991)	(1,073,767)	-	(1,938,758)
Proceeds of Bonds	95,633	-	-	95,633
	<u>(2,004,249)</u>	<u>(1,361,818)</u>	<u>(2,713,311)</u>	<u>(6,079,378)</u>
<b>Cash Flows from Investing Activities</b>				
Interest Received	102,173	61,812	451,608	615,593
<b>Net Change in Cash and Cash Equivalents</b>	<u>(1,074,868)</u>	<u>(235,271)</u>	<u>842,662</u>	<u>(467,477)</u>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>3,722,083</u>	<u>2,321,583</u>	<u>14,830,638</u>	<u>20,874,304</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>2,647,215</u>	<u>2,086,312</u>	<u>15,673,300</u>	<u>20,406,827</u>
<b>Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities.</b>				
Operating Income (Loss)	69,200	(229,847)	2,821,691	2,661,044
<b>Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities.</b>				
Depreciation and Amortization Expense	987,803	1,325,923	1,122,655	3,436,381
Increase (Decrease) in Current Assets	8,071	(42,069)	(40,735)	(74,733)
Increase (Decrease) in Current Liabilities	(218,660)	(6,368)	(799,246)	(1,024,274)
<b>Net Cash Provided by Operating Activities</b>	<u>846,414</u>	<u>1,047,639</u>	<u>3,104,365</u>	<u>4,998,418</u>
<b>Noncash Capital and Related Financing Activities</b>				
Capital Contributions	58,884	80,280	-	139,164

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Net Assets- Fiduciary Funds  
December 31, 2008**

	Pension Trust	Agency
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 2,994,858	88,654
Investments		
U.S. Government and Agency Obligations	11,726,502	-
Insurance Company Contracts	2,049,736	-
Mutual Funds	2,623,603	-
Equities	3,148,937	-
Corporate Bonds	51,958	
Receivables		
Other	-	-
Accrued Interest	80,549	-
Total Assets	<u>22,676,143</u>	<u>88,654</u>
<b>LIABILITIES</b>		
Accounts Payable	4,756	-
Deposits Payable	-	87,985
Due to Bondholders	-	669
Total Liabilities	<u>4,756</u>	<u>88,654</u>
<b>NET ASSETS</b>		
Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	<u>22,671,387</u>	-

The notes to the financial statement are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Statement of Changes in Net Assets - Fiduciary Funds  
Year Ended December 31, 2008**

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	<u>Pension Trust</u>
<b>Additions</b>	
Contributions - Employer	\$ 1,424,261
Contributions - Plan Members	524,082
Total Contributions	<u>1,948,343</u>
Investment Income	
Interest Earned	1,146,372
Net Change in Fair Value	<u>(4,253,008)</u>
	(3,106,636)
Less Investment Expenses	<u>(130,202)</u>
Net Investment Income	<u>(3,236,838)</u>
Total Additions	<u>(1,288,495)</u>
<b>Deductions</b>	
Administration	68,077
Benefits and Refunds	954,820
Total Deductions	<u>1,022,897</u>
Change in Net Assets	(2,311,392)
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>24,982,779</u>
Ending	<u><u>22,671,387</u></u>

The notes to the financial statements are an integral part of this statement.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Batavia, Illinois (City) was incorporated under a charter granted by the Illinois State Legislature in 1896. The City is a non-home rule community that operates under the management form of municipal government as provided in Chapter 65, Article 5 of the Illinois Compiled Statutes. The City's major operations include police and fire protection, water, sewer and electric service, planning and zoning, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The more significant of the City's accounting policies established in GAAP and used by the City are described below.

#### REPORTING ENTITY

The City's financial reporting entity comprises the following:

Primary Government:	City of Batavia
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the City.

*Blended Component Units* - Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the Component unit provided services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

#### Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary City because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### REPORTING ENTITY – Continued

#### Blended Component Units – Continued

##### Firefighters' Pension Employees Retirement System

The City's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a nine-member pension board. The City's Mayor, Treasurer, Clerk, Attorney and Fire Chief, one elected pension beneficiary, and three elected fire employees constitute the pension board. The City and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the FPERS is reported as if it were part of the primary City because its sole purpose is to provide retirement benefits for the City's firefighters. The FPERS is reported as a pension trust fund.

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The City's waterworks, sewerage, and electric services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The City's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, highways and streets, etc). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or discretely benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc). The City does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Government-Wide Statements – Continued

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

##### Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either have debt outstanding or a specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

**General fund** is 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. The General Fund is a major fund.

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for all future payments of interest and principal on the City's long-term general obligation debt.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains two major capital projects funds, the Infrastructure Capital Projects Fund, and the Capital Projects Fund. The Infrastructure Capital Projects Fund accounts for all resources used for construction and major improvements to the City's highways and streets and other general infrastructure. The Capital Projects Fund accounts for all resources used for the acquisition of capital assets by a governmental unit except those financed by Proprietary and Trust Funds.

**Permanent funds** are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. The City maintains one nonmajor permanent fund, the Perpetual Care Cemetery, which is used to account for perpetual care trust funds to be used for the perpetual care of the City's cemetery.

#### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

**Enterprise funds** are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains three major enterprise funds. The Waterworks Fund, a major fund, accounts for the provision of potable water to the residents of the City. The Sewerage Fund accounts for the provision of wastewater treatment services to the residents of the City. The Electric Fund accounts for the provision of electric utility services to the residents of the city.

#### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

**Pension Trust Funds** are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. The Firefighters' Pension Fund accounts for the accumulation of resources to be used for disability and retirement payments to employees covered by the plan.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Fiduciary Funds – Continued

**Agency Funds** are used to account for assets held by the City in a purely custodial capacity. The Special Assessments Fund accounts for the collection of special assessments from property owners and payments of related special assessment debt. The Special Service Areas Fund accounts for the collection of property taxes within special taxing districts and payments of related special service areas debt.

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the City’s enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

##### Cash and Investments

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds “Statement of Cash Flows”, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

##### Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

##### Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

##### Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their payment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

##### Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 to \$200,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Capital Assets – Continued

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 – 45 Years
Machinery & Equipment	3 – 30 Years
Infrastructure	40 – 50 Years

##### Compensated Absences

The City accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### Unearned/Deferred Revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the City submit requests for their department to the City’s Administrator so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested expenditures for the next fiscal year. The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change designations, but may not change the form of the budget.

The administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted expenses at the fund level. During the year a few amendments were necessary.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

The deposits and investments of the Pension Funds are held separately from those of other City funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

**City – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the City's deposits for governmental, business-type and agency activities totaled \$31,347,201 and the bank balances totaled \$34,635,798.

*Investments.* At year-end, the City has the following investments and maturities:

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less Than One	One to Five	Six to Ten	More Than Ten
Illinois Funds	\$ 3,324,710	3,324,710	-	-	-
Federal Home Loan Bank	1,710,000	-	1,710,000	-	-
	<u>5,034,710</u>	<u>3,324,710</u>	<u>1,710,000</u>	<u>-</u>	<u>-</u>

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

##### City – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy attempts to limit the City's exposure to interest rate risk by matching its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five (5) years from the date of purchase. Reserve funds may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The City's investment policy also prescribes to the "prudent person" rule which states that, "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived." As of December 31, 2008, Standard and Poor's rated all of the City's U.S. Agency Obligations AAA. Also, the City's investment in Illinois Funds was rated AAAM by Standard and Poor's.

*Custodial Credit Risk – Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy limits custodial credit risk for deposits by not maintaining funds in any institution not willing or capable of pledging required collateral for funds in excess of FDIC insurable limits. The amount of collateral provided shall not be less than 110 percent of the fair market value of the net amount of public funds secured. Pledged collateral will be held in safekeeping by an independent third party depository designated by the City and evidenced by a safekeeping agreement. \$1,943,919 of bank balances of deposits are not covered by third party collateral.

*Custodial Credit – Investments.* In the case of investments, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy attempts to limit the City's custodial credit risk for its investments by requiring that securities be held by a third party custodian designated by the City and evidenced by safekeeping receipts. At December 31, 2008, all U.S. Treasury Obligations and Agency Securities are categorized as insured, registered, or held by the City or its agent in the City's name. The City's investment in the Illinois Funds is noncategorizable.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that in no case shall the following diversification limits be exceeded unless specifically authorized by the City Council:

- a. No financial institution shall hold more than 50% of the City's investment portfolio, exclusive of U.S. Treasury securities in safekeeping.
- b. Monies deposited at a financial institution shall not exceed 65% of the capital stock and surplus of that institution.
- c. Commercial paper shall not exceed 30% of the City's investment portfolio.
- d. Deposits in the Illinois Public Treasurer's Investment Pool shall not exceed 50% of the investment portfolio.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**City – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

At December 31, 2008, all of the City’s investments are in compliance with the guidelines outlined above in the City’s investment policy. At year-end, the City does not have any investments, exclusive of U.S. Government Securities, over 5 percent of the total cash and investment portfolio.

**Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund’s deposits totaled \$1,125,565 and the bank balances totaled \$1,125,565.

*Investments.* At December 31, 2008, the Fund’s investments are as follows:

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less Than One	One to Five	Six to Ten	More Than Ten
U.S. Treasury Notes	\$ 1,370,136	836,316	4,397	529,423	-
U.S. Treasury Bonds	777,776	-	-	-	777,776
Federal Farm Credit Bank	43,301	-	-	-	43,301
Federal Home Loan Mortgage	1,946,200	161,750	661,630	-	1,122,820
Federal National Mortgage Assoc.	5,789,224	289,239	1,238,479	456,437	3,805,069
Corporate Bonds	51,958	-	51,958	-	-
Domestic Corporate Equities	3,148,937	-	-	-	3,148,937
Mutual Funds	1,488,357	-	-	-	1,488,357
	<u>14,615,889</u>	<u>1,287,305</u>	<u>1,956,464</u>	<u>985,860</u>	<u>10,386,260</u>

*Interest Rate Risk.* The Fund’s formal investment policy attempts to limit exposure to interest rate risk by having the investment portfolio remain sufficiently liquid to enable the Fund to pay all necessary benefits and meet all operating requirements which might be reasonably anticipated.

*Credit Risk.* The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund’s investment policy also prescribes to the “prudent person” rule which states that, “investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived.” As of December 31, 2008, Standard and Poor’s rated all of the Fund’s U.S. Agency Obligations AAA.

*Custodial Credit Risk – Deposits.* The Fund’s investment policy does not limit custodial credit risk for deposits. At December 31, 2008, all deposits are covered by federal depository insurance, or by collateral held by the Pension Fund, or its agent, in the Pension Fund’s name.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Custodial Credit – Investments.* The Fund’s investment policy attempts to limit the exposure to custodial credit risk for its investments by requiring that securities be held by a third party custodian designated by the Fund and evidenced by safekeeping receipts. At December 31, 2008, all U.S. Treasury Obligations and Agency Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund’s name.

*Concentration of Credit Risk.* The Fund’s investment policy attempts to limit the exposure to concentration risk by prescribing to the following asset allocation policy:

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Cash	1%	3%	10%
Fixed Income	42%	62%	100%
Lg. Cap. Domestic Equities	0%	25%	40%
Sm. Cap. Domestic Equities	0%	10%	10%
International Equities	0%	5%	10%

At December 31, 2008, all of the Fund’s investments are in compliance with the guidelines outlined above in the Fund’s investment policy. At year-end, the Fund has no investments, exclusive of U.S. Government Securities, over 5 percent of net assets available for benefits:

**Firefighters’ Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund’s deposits totaled \$1,869,293 and the bank balances totaled \$1,870,655

*Investments.* At December 31, 2008, the Fund’s investments are as follows:

	<u>Investment Maturities (in Years)</u>				
	<u>Fair Value</u>	<u>Less Than One</u>	<u>One to Five</u>	<u>Six to Ten</u>	<u>More Than Ten</u>
Government National Mortgage Assoc.	\$ 2,340	-	-	-	2,340
Federal Home Loan Mortgage	1,096,752	-	373,408	523,282	200,062
Federal Home Loan Bank	200,618	-	200,618	-	-
Federal Farm Credit Bank	500,155	-	-	-	500,155
Insurance Company Contracts	2,049,736	-	-	-	2,049,736
Mutual Funds	1,135,246	-	-	-	1,135,246
	<u>4,984,847</u>	<u>-</u>	<u>574,026</u>	<u>523,282</u>	<u>3,887,539</u>

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

#### Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Interest Rate Risk.* The Fund's formal investment policy attempts to limit exposure to interest rate risk by having the investment portfolio remain sufficiently liquid to enable the Fund to pay all necessary benefits and meet all operating requirements which might be reasonably anticipated.

*Credit Risk.* The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund's investment policy also prescribes to the "prudent person" rule which states that, "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived." As of December 31, 2008, Standard and Poor's rated all of the Fund's U.S. Agency Obligations AAA.

*Custodial Credit Risk – Deposits.* The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2008, all deposits are covered by federal depository insurance, or by collateral held by the Pension Fund, or its agent, in the Pension Fund's name.

*Custodial Credit – Investments.* The Fund's investment policy attempts to limit the exposure to custodial credit risk for its investments by requiring that securities be held by a third party custodian designated by the Fund and evidenced by safekeeping receipts. At December 31, 2008, all U.S. Treasury Obligations and Agency Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

*Concentration of Credit Risk.* The Fund's investment policy attempts to limit the exposure to concentration risk by requiring that assets be diversified to control the risk of loss resulting from over-concentration in a specific maturity, a specific issuer, or a specific instrument. No more than 40% of the assets shall be concentrated in a single instrument or class of instruments other than U.S. Treasury Obligations.

At December 31, 2008, all of the Fund's investments are in compliance with the guidelines outlined above in the Fund's investment policy. At year-end, the Fund has the following investments, exclusive of U.S. Government Securities, over 5 percent of net assets available for benefits:

Aviva Annuity	\$498,750
Keyport Life Annuity	601,334
Sun Life Annuities	350,796
Financial Investors U.S. Government Money Market Account	1,489,967

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**PROPERTY TAXES**

Property taxes for 2008 attach as an enforceable lien on January 1, 2008, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Kane County and are issued on or about May 1, 2009, and are payable in two installments, on or about June 1, 2009, and September 1, 2009. The County collects such taxes and remits them periodically.

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 18,174,812	232,166	-	18,406,978
Construction in Progress	2,770,849	815,061	161,915	3,423,995
	<u>20,945,661</u>	<u>1,047,227</u>	<u>161,915</u>	<u>21,830,973</u>
<b>Depreciable Capital Assets</b>				
Structures and Improvements	18,380,206	-	-	18,380,206
Machinery and Equipment	4,841,429	684,352	522,684	5,003,097
Infrastructure	49,766,040	296,030	42,598	50,019,472
	<u>72,987,675</u>	<u>980,382</u>	<u>565,282</u>	<u>73,402,775</u>
<b>Less Accumulated Depreciation</b>				
Structures and Improvements	2,575,888	171,132	-	2,747,020
Machinery and Equipment	2,202,955	278,274	352,522	2,128,707
Infrastructure	16,162,526	957,519	42,598	17,077,447
	<u>20,941,369</u>	<u>1,406,925</u>	<u>395,120</u>	<u>21,953,174</u>
<b>Total Net Depreciable Capital Assets</b>	<u>52,046,306</u>	<u>(426,543)</u>	<u>170,162</u>	<u>51,449,601</u>
<b>Total Net Capital Assets</b>	<u>72,991,967</u>	<u>620,684</u>	<u>332,077</u>	<u>73,280,574</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 76,684
Public Safety	165,831
Highways and Streets	<u>1,164,410</u>
	<u>1,406,925</u>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Business-Type Activities**

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases/ Transfers	Decreases/ Transfers	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 1,027,051	500,000	409,218	1,117,833
Construction in Progress	31,121,299	1,090,551	3,360	32,208,490
	<u>32,148,350</u>	<u>1,590,551</u>	<u>412,578</u>	<u>33,326,323</u>
<b>Depreciable Capital Assets</b>				
Buildings	144,121	-	-	144,121
Structures and Improvements	14,027,194	-	-	14,027,194
Wells and Well Equipment	3,634,937	-	-	3,634,937
Machinery and Equipment	1,630,841	-	67,621	1,563,220
Electric System	31,018,722	892,198	125,515	31,785,405
Water/Sewer System	58,795,992	519,302	-	59,315,294
	<u>109,251,807</u>	<u>1,411,500</u>	<u>193,136</u>	<u>110,470,171</u>
<b>Less Accumulated Depreciation</b>				
Buildings	144,121	-	-	144,121
Structures and Improvements	3,403,485	341,204	-	3,744,689
Wells and Well Equipment	647,517	90,873	-	738,390
Machinery and Equipment	821,363	99,938	47,335	873,966
Electric System	13,675,300	1,058,737	63,917	14,670,120
Water/Sewer System	12,901,149	1,845,629	-	14,746,778
	<u>31,592,935</u>	<u>3,436,381</u>	<u>111,252</u>	<u>34,918,064</u>
Total Net Depreciable Capital Assets	<u>77,658,872</u>	<u>(2,024,881)</u>	<u>81,884</u>	<u>75,552,107</u>
Total Net Capital Assets	<u>109,807,222</u>	<u>(434,330)</u>	<u>494,462</u>	<u>108,878,430</u>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Business-Type Activities – Continued**

Depreciation expense was charged to business-type activities as follows:

Waterworks	\$ 987,803
Sewerage	1,325,923
Electric	<u>1,122,655</u>
	<u><u>3,436,381</u></u>

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

	Transfer Out			Totals
	General	Debt Service	Waterworks	
Transfer In				
Debt Service	\$ 1,051,966	697,632	20,837	1,770,435
Capital Projects	325,000	-	-	325,000
Infrastructure	<u>85,362</u>	<u>724,973</u>	-	<u>810,335</u>
	<u>1,462,328</u>	<u>1,422,605</u>	<u>20,837</u>	<u>2,905,770</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds issued for business-type activities are reported in the proprietary funds as they are expected to be repaid from propriety revenues. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances January 1	Issuances	Retirements	Balances December 31
General Obligation Refunding Bond Series of 1998 due in annual installments of \$20,000 to \$320,000 plus interest at 3.45% to 4.25% through December 15, 2014	Debt Service	\$ 1,925,000	-	235,000	1,690,000
General Obligation Refunding Bond Series of 2002A due in annual installments of \$16,450 to \$102,225 plus interest of 2.0% to 3.65% through January 1, 2011	Debt Service	298,450	-	96,350	202,100
General Obligation Refunding Bond Series of 2002A due in annual installments of \$53,550 to \$332,775 plus interest at 2.0% to 3.65% through January 1, 2011	Waterworks	1,269,900	-	298,350	971,550
General Obligation Bond Series of 2005 due in annual installments of \$40,000 to \$150,000 plus interest at 3.50% to 5.00% through January 1, 2025	Debt Service	1,880,000	-	80,000	1,800,000
		<u>5,373,350</u>	<u>-</u>	<u>709,700</u>	<u>4,663,650</u>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Alternate Revenue Bonds**

The City has also issued alternate revenue bonds where the City has pledged motor fuel tax and sales tax revenues for the payment of bond principal and interest. Alternate revenue bonds re direct obligations and pledge the full faith and credit of the City. Alternate revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances January 1	Issuances	Retirements	Balances December 31
Alternate Revenue Bond Series of 1995 due in annual installments of \$45,000 to \$95,000 plus interest at 4.7% to 4.8% through December 1, 2010	General	\$ 270,000	-	85,000	185,000
Alternate Revenue Bond Series of 1996 due in annual installments of \$15,000 to \$30,000 plus interest at 5.1% to 5.7% through December 1, 2010	General	85,000	-	25,000	60,000
Alternate Revenue Bond Series of 1998 due in annual installments of \$115,000 to \$230,000 plus interest at 4.375% to 4.6% through December 1, 2013	Debt Service	1,230,000	-	180,000	1,050,000
Alternate Revenue Bond Series of 2006 due in annual installments of \$320,000 to \$740,000 plus interest at 4.00% to 4.50% through January 1, 2026	Debt Service	9,260,000	-	335,000	8,925,000
		<u>10,845,000</u>	<u>-</u>	<u>625,000</u>	<u>10,220,000</u>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Revenue Bonds**

The City also issues bonds for which the City pledges income derived from the acquired or constructed assets to pay debt service. A financial payment will not be established on the IEPA Revenue Bonds Series of 2004 through 2006 until construction is complete and final draws on the loan have been made. The final debt will be due semi-annually installments over a 20 year period plus interest. Revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances January 1	Issuances	Retirements	Balances December 31
IEPA Sewer Revenue Bond Series of 1989 due in annual installments of \$89,502 including interest at 3.745% through October 9, 2010	Sewerage	\$ 251,750	-	80,822	170,928
IEPA Sewer Revenue Bond Series of 1990 due in annual installments of \$497,756 including interest at 3.745% through October 15, 2012	Sewerage	2,043,817	-	425,158	1,618,659
IEPA Sewer Revenue Bond Series of 1999 due in annual installments of \$67,044 including interest at 2.535% through May 1, 2020	Sewerage	706,555	-	49,443	657,112
IEPA Sewer Revenue Bond Series of 1999A due in annual installments of \$714,655 including interest at 2.535% through November 1, 2020	Sewerage	7,872,804	-	518,344	7,354,460
IEPA Water Revenue Bond Series of 2004 due in annual installments of \$179,890 including interest at 2.500% through November 1, 2024	Waterworks	5,596,575	13,703	238,384	5,371,894
IEPA Water Revenue Bond Series of 2004 due in annual installments of \$98,676 including interest at 2.500% through November 1, 2024	Waterworks	2,883,909	3,720	130,691	2,756,938
IEPA Water Revenue Bond Series of 2005 due in annual installments of \$13,723 including interest at 2.500% through November 1, 2024	Waterworks	445,484	1,410	18,175	428,719

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Revenue Bonds – Continued**

Issue	Fund Debt Retired By	Balances January 1	Issuances	Retirements	Balances December 31
IEPA Water Revenue Bond Series of 2006 payment schedule not yet established, including interest at 2.500% through December 1, 2024	Waterworks	\$ 2,871,060	5,801	120,116	2,756,745
IEPA Water Revenue Bond Series of 2006 payment schedule not yet established, including interest at 2.500% through December 1, 2024	Waterworks	1,416,824	70,999	59,275	1,428,548
Revenue Bond Series of 2006 due in annual installments of \$285,000 to \$1,630,000 plus interest at 3.5% to 4.5% through January 1, 2037	Electric	26,870,000	-	-	26,870,000
		<u>50,958,778</u>	<u>95,633</u>	<u>1,640,408</u>	<u>49,414,003</u>

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Net Pension Obligation	\$ 369,439	1,279,658	1,273,673	375,424	-
General Obligation Bonds	4,103,450	-	411,350	3,692,100	434,875
Alternate Revenue Bonds	10,845,000	-	625,000	10,220,000	665,000
Net Other Post-Employment Benefit Obligation	-	154,275	121,555	32,720	-
	<u>15,317,889</u>	<u>1,433,933</u>	<u>2,431,578</u>	<u>14,320,244</u>	<u>1,099,875</u>
<b>Business-Type Activities</b>					
Revenue Bonds	\$ 50,958,778	95,633	1,640,409	49,414,002	1,402,280
General Obligation Bonds	1,269,900	-	298,350	971,550	313,650
	<u>52,228,678</u>	<u>95,633</u>	<u>1,938,759</u>	<u>50,385,552</u>	<u>1,715,930</u>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity – Continued**

Payments on the Net Pension Obligation are made by the General Fund. The Debt Service Fund makes payments on the installment contracts. Payments on the General Obligation/Alternate Revenue Bonds are made by the General, Debt Service and Waterworks Funds. The Water Fund and Sewerage Fund make payments on the revenue bonds. In fiscal year 2008, the City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This pronouncement required the City to calculate and record a net other post employment benefit obligation (NOPEBO) at December 31, 2008. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since January 1, 2008.

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending December 31	Governmental Activities			
	General Obligation Bonds		Alternate Revenue Bonds	
	Principal	Interest	Principal	Interest
2009	\$ 434,875	162,670	665,000	441,748
2010	452,225	145,938	695,000	412,968
2011	360,000	128,286	600,000	382,900
2012	380,000	113,840	625,000	356,874
2013	395,000	98,450	655,000	329,762
2014	420,000	81,100	445,000	301,118
2015	105,000	62,500	465,000	282,206
2016	110,000	57,250	490,000	262,444
2017	110,000	51,750	510,000	241,618
2018	115,000	46,250	535,000	219,944
2019	120,000	40,500	560,000	197,206
2020	125,000	34,500	590,000	173,406
2021	130,000	28,250	615,000	148,332
2022	140,000	21,750	645,000	122,194
2023	145,000	14,750	675,000	94,782
2024	150,000	7,500	710,000	65,250
2025	-	-	740,000	33,300
<b>Total</b>	<b>3,692,100</b>	<b>1,095,284</b>	<b>10,220,000</b>	<b>4,066,052</b>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity – Continued**

Fiscal Year Ending Dec. 31	Business-Type Activities			
	Revenue		General Obligation	
	Bonds		Bonds	
	Principal	Interest	Principal	Interest
2009	\$ 1,402,280	1,391,107	313,650	34,196
2010	1,447,183	1,345,880	325,125	23,688
2011	1,402,578	1,300,307	332,775	12,146
2012	1,477,284	1,255,699	-	-
2013	1,274,001	1,210,904	-	-
2014	1,315,431	1,169,274	-	-
2015	1,357,278	1,126,227	-	-
2016	1,404,556	1,081,749	-	-
2017	1,447,274	1,035,631	-	-
2018	1,495,445	988,060	-	-
2019	1,544,079	938,826	-	-
2020	1,553,769	888,049	-	-
2021	865,000	840,376	-	-
2022	900,000	804,694	-	-
2023	935,000	766,894	-	-
2024	975,000	727,156	-	-
2025	1,020,000	685,718	-	-
2026	1,060,000	642,368	-	-
2027	1,105,000	597,318	-	-
2028	1,155,000	550,356	-	-
2029	1,205,000	499,826	-	-
2030	1,255,000	447,106	-	-
2031	1,310,000	392,200	-	-
2032	1,370,000	334,888	-	-
2033	1,430,000	274,950	-	-
2034	1,490,000	210,600	-	-
2035	1,560,000	143,550	-	-
2036	1,630,000	73,338	-	-
<b>Total</b>	<b>36,386,158</b>	<b>21,723,051</b>	<b>971,550</b>	<b>70,030</b>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Revenue Bond Disclosures**

Sewerage Fund and Electric Fund – The revenue bond ordinance requires that all monies held in the Sewerage Fund and Electric Fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

Accounts	Amounts	Nature of Authorized Expenditures
Operations and Maintenance	Sufficient amount to pay reasonable expenses	Expense of operating, maintaining and repairing the system
Bond and Interest	Amount sufficient to pay a portion of the current bond and interest	Paying principal and interest on the bonds
Bond Reserve	<i>Sewerage</i> \$2,000 per month until the account aggregates \$654,302	Paying principal and interest on the bonds if there is an insufficiency in bond and interest
	<i>Electric</i> Amount sufficient to provide account aggregate of \$1,705,719	
Depreciation	<i>Sewerage</i> \$5,000 per month until the account aggregates \$350,000	Paying principal and interest on the bonds if there is insufficient money in the bond and interest account or bond reserve account; cost of extraordinary repairs and replacements to the system
	<i>Electric</i> Initial deposit of \$2,000,000 or \$100,000 per month until the account aggregates \$2,000,000	
Surplus	The amount remaining after payment into the above four accounts	Improvement and extension of the waterworks and sewerage system, or any other lawful corporate purpose

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Revenue Bond Disclosures – Continued**

Supplemental information required under bond ordinance provision, not subject to audit:

Sewerage	
Number of Water Customers	9,244
Number of Sewer Customers	9,218
Quantity of Sewerage Treated (in Millions of Gallons)	1,427.12
Quantity of Water Pumped (in Millions of Gallons)	1,128.65
Quantity of Water Billed (in Millions of Gallons)	911.59
Electric	
Number of Electric Customers by Class	
Residential	9,512
Commercial	1,275
Industrial	10
Kwh of Energy Purchased	433,253,081
Average cost per kwh	\$ 0.060057

**Legal Debt Margin**

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2007	<u>\$ 1,079,650,885</u>
Legal Debt Limit - 8.625% of Assessed Value	<u>93,119,889</u>
Amount of Debt Applicable to Limit	
General Obligation Bonds	<u>4,461,550</u>
Legal Debt Margin	<u>88,658,339</u>

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**FUND EQUITY/FUND BALANCE**

**Fund Balance – Reserved for Special Revenues**

The following is a schedule of fund balance reservations for special or restricted revenues as of the date of this report:

	Beginning Balance	Revenues	Expenses	Ending Balance
General Fund				
Street Improvement	\$ 1,094,143	1,448,679	1,227,286	1,315,536
Community Development Assistance Program	283,342	4,757	-	288,099
	<u>1,377,485</u>	<u>1,453,436</u>	<u>1,227,286</u>	<u>1,603,635</u>

**NOTE 4 – OTHER INFORMATION**

**RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. These risks are provided for through a limited self-insurance program and private insurance coverage. The City is partially self-insured for medical, dental and life benefits and accounts for these benefits in the General Fund. Under this program, the General Fund provides coverage up to a maximum of \$50,000 per individual's claims paid. These activities and workers compensation are accounted for by setting assets aside for claim settlements. The remainder of the City's risk management activity is also reported in the General Fund and is provided for through private insurance coverage, risks covered include general and other liabilities. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

All funds of the City participate and make payments based upon actuarial estimates of the amounts needed to pay prior and current-year claims. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount of claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors.

Changes in the balances of claims liabilities during the fiscal year are as follows:

	2008	2007
Claims Payable - Beginning of Year	\$ 732,559	653,086
Incurred Claims	3,330,816	3,279,819
Claims Paid	<u>(2,891,577)</u>	<u>(3,200,346)</u>
Claims Payable - End of Year	<u>1,171,798</u>	<u>732,559</u>

# **CITY OF BATAVIA, ILLINOIS**

## **Notes to the Financial Statements December 31, 2008**

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### **NOTE 4 – OTHER INFORMATION – Continued**

#### **POST-EMPLOYMENT BENEFITS**

In addition to providing pension benefits, the City provides certain health care insurance benefits for retired employees. In accordance with the personnel policy substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. The retirees pay an annual premium that is equal to the actuarially determined costs for each plan year. Accordingly, no liability has been recorded for post-retirement health care benefits. The City also provides COBRA health and dental benefits to all prior employees as required by federal law. The prior employee pays 100 percent of the premium.

#### **CONTINGENT LIABILITIES**

##### **Litigation**

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

##### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

#### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS**

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighter Pension Plans and may be obtained by writing to the City at 100 North Island Avenue, Batavia, IL 60510. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

#### **Plan Descriptions, Provisions and Funding Policies**

##### **Illinois Municipal Retirement System**

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Plan Descriptions, Provisions and Funding Policies – Continued**

**Illinois Municipal Retirement System – Continued**

These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The City is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2008 was 9.75 percent.

**Police Pension Plan**

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	16
Current Employees Vested and Nonvested	<u>43</u>
	<u>59</u>

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary.

Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Plan Descriptions, Provisions and Funding Policies – Continued**

**Firefighters' Pension Plan**

The Firefighters' Pension Plan is a single-employer defined pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

At fiscal year end the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	9
Current Employees Vested and Nonvested	<u>24</u>
	<u>33</u>

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

**Summary of Significant Accounting Policies and Plan Asset Matters**

**Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Summary of Significant Accounting Policies and Plan Asset Matters – Continued

##### Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### Significant Investments

The following investments (other than U.S. Government and Agency Obligations) represent greater than 5% of net assets available for benefits. Information for IMRF is not available.

	<u>Firefighters' Pension</u>
Aviva Annuity	\$ 498,750
Keyport Life Annuity	601,334
Sun Life Annuities	350,796
Financial Investors U.S. Government Money Market Account	1,489,967

##### Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

##### Annual Pension Cost and Net Pension Obligation

There was no net pension obligation for the IMRF Plan at year-end. The amount of the pension liability for the Police and Firefighters' Pension plans is as follows:

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Totals</u>
Annual Required Contribution	\$ 844,208	426,163	1,270,371
Interest on the NPO	21,287	4,573	25,860
Adjustment to the ARC	(13,642)	(2,931)	(16,573)
Annual Pension Cost	851,853	427,805	1,279,658
Actual Contribution	(844,258)	(429,415)	(1,273,673)
Increase in the NPO	7,595	(1,610)	5,985
NPO - Beginning of Year	304,104	65,335	369,439
NPO - End of Year	311,699	63,725	375,424

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Annual Pension Cost and Net Pension Obligation – Continued**

The City's annual pension cost for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	10.16%	25.82%	24.31%
Employee	4.50%	9.91%	9.455%
Annual Pension Cost	\$789,185	\$851,853	\$427,805
Contributions Made	\$789,185	\$844,258	\$429,415
Actuarial Valuation Date	12/31/2007	12/31/2007	12/31/2007
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	25 Years	26 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.50%	5.50%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Trend Information**

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2005	\$ 631,250	\$ 732,580	\$ 402,926
	2006	737,959	784,739	408,623
	2007	789,185	851,853	427,805
Actual Contributions	2005	631,250	721,691	403,554
	2006	737,959	777,012	429,456
	2007	189,185	844,258	429,415
Percentage of APC Contributed	2005	100.00%	98.51%	100.16%
	2006	100.00%	99.02%	105.10%
	2007	100.00%	99.11%	100.38%
Net Pension Obligation	2005	-	296,377	86,168
	2006	-	304,104	65,335
	2007	-	311,699	63,725

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Funded Status and Funding Progress**

The City's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/07	12/31/07	12/31/07
Percent Funded	86.42%	65.70%	63.20%
Actuarial Accrued Liability for Benefits	\$19,813,409	\$26,670,944	\$11,803,316
Actuarial Value of Assets	\$17,123,018	\$17,522,683	\$7,460,092
Over (Under) Funded Actuarial Accrued Liability (UAAL)	\$2,690,391	\$9,148,261	\$4,343,224
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$7,767,570	\$3,270,023	\$1,766,514
Ratio of UAAL to Covered Payroll	34.64%	279.76%	245.86%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**Plan Descriptions, Provisions, and Funding Policies**

In addition to providing the pension benefits described, the City provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City's General Fund.

The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are provided through the City's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending December 31, 2008, retirees contributed \$121,555. Active employees do not contribute to the plan until retirement.

At December 31, 2008, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	17
Active Employees	<u>253</u>
Total	<u>270</u>
Participating Employers	1

The City does not currently have a funding policy.

**CITY OF BATAVIA, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2008**

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Annual OPEB Costs and Net OPEB Obligation**

The City first had an actuarial valuation performed for the plan as of December 31, 2008 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2008.

The net OPEB obligation (NOPEBO) as of December 31, 2008, was calculated as follows:

	<u>OPEB</u>
Annual Required Contribution	\$ 154,275
Interest on the NPO	-
Adjustment to the ARC	-
	<hr/>
Annual OPEB Cost	154,275
Actual Contribution	<u>121,555</u>
	<hr/>
Increase in the NPO	32,720
	<hr/>
NPO - Beginning of Year	-
	<hr/>
NPO - End of Year	<u><u>32,720</u></u>

**Funded Status and Funding Progress**

The funded status of the plan as of December 31, 2008, was as follows:

Actuarial Accrued Liability (AAL)	\$ 3,369,585
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	3,369,585
Funded Ratio (actuarial value of plan assets/AAL)	-
Covered Payroll (active plan members)	N/A
UAAL as a percentage of covered payroll	N/A

# CITY OF BATAVIA, ILLINOIS

## Notes to the Financial Statements December 31, 2008

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Annual OPEB Costs and Net OPEB Obligation – Continued

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

##### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2008 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses and an annual healthcare cost trend rate of 8.0%). Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008, was 30 years.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Funding Progress
  - Illinois Municipal Retirement Fund (IMRF)
  - Police Pension Fund
  - Firefighters' Pension Fund
  - Other Post-Employment Benefit Plan
  
- Employer Contributions
  - Illinois Municipal Retirement Fund (IMRF)
  - Police Pension Fund
  - Firefighters' Pension Fund
  - Other Post-Employment Benefit Plan
  
- Budgetary Comparison Schedule – General Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**CITY OF BATAVIA, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2008**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 11,215,056	\$ 11,646,948	96.29%	\$ 431,892	\$ 5,199,226	8.31%
2003	11,982,163	13,000,858	92.16%	1,018,695	5,534,578	18.41%
2004	12,189,420	14,584,042	83.58%	2,394,622	6,261,896	38.24%
2005	13,293,559	15,396,718	86.34%	2,103,159	6,577,245	31.98%
2006	14,984,991	16,691,431	89.78%	1,706,440	6,871,131	24.83%
2007	17,123,018	19,813,409	86.42%	2,690,391	7,767,570	34.64%

**CITY OF BATAVIA, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2008**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 9,711,948	\$ 17,072,968	56.88%	\$ 7,361,020	\$ 2,402,664	306.37%
2003	11,570,195	19,388,199	59.68%	7,818,004	2,607,712	299.80%
2004	13,096,951	21,394,196	61.22%	8,297,245	2,760,790	300.54%
2005	14,202,255	23,140,774	61.37%	8,938,519	2,858,700	312.68%
2006	15,879,599	24,967,981	63.60%	9,088,382	3,107,967	292.42%
2007	17,522,683	26,670,944	65.70%	9,148,261	3,270,023	279.76%

**CITY OF BATAVIA, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2008**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 3,948,894	\$ 6,626,122	59.60%	\$ 2,677,228	\$ 1,255,261	213.28%
2003	4,665,806	6,988,800	66.76%	2,322,994	1,334,885	174.02%
2004	5,349,261	8,071,564	66.27%	2,722,303	1,378,119	197.54%
2005	5,949,885	8,839,361	67.31%	2,889,476	1,443,988	200.10%
2006	6,724,772	10,418,335	64.55%	3,693,563	1,597,810	231.16%
2007	7,460,092	11,803,316	63.20%	4,343,224	1,766,514	245.86%

**CITY OF BATAVIA, ILLINOIS**

**Other Post-Employment Benefit Plan**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2008**

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2004	N/A	N/A	N/A	N/A	N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	-	3,369,585	0.00%	3,369,585	-	0.00%

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

**CITY OF BATAVIA, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2008**

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<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contributions</b>	<b>Percent Contributed</b>
2002	\$ 449,213	\$ 449,213	100.00%
2003	478,187	478,187	100.00%
2004	564,823	564,823	100.00%
2005	631,250	631,250	100.00%
2006	737,959	737,959	100.00%
2007	789,185	789,185	100.00%

**CITY OF BATAVIA, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2008**

Year Ended Dec. 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2002	\$ 579,664	\$ 588,409	98.51%
2003	634,657	647,332	98.04%
2004	681,717	692,704	98.41%
2005	721,691	724,678	99.59%
2006	777,012	776,898	100.01%
2007	844,258	844,208	100.01%

**CITY OF BATAVIA, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2008**

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Year Ended Dec. 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2002	\$ 282,336	\$ 301,079	93.77%
2003	336,116	340,865	98.61%
2004	403,972	405,217	99.69%
2005	403,554	400,523	100.76%
2006	429,456	406,343	105.69%
2007	429,415	426,163	100.76%

**CITY OF BATAVIA, ILLINOIS**

**Other Post-Employment Benefit Plan**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2008**

Year Ended Dec. 31	Employer Contributions	Annual Required Contributions	Percent Contributed
2003	\$ N/A	\$ N/A	N/A
2004	N/A	N/A	N/A
2005	N/A	N/A	N/A
2006	N/A	N/A	N/A
2007	N/A	N/A	N/A
2008	121,555	154,275	78.79%

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues</b>			
Taxes	\$ 16,058,325	16,058,325	15,737,163
Intergovernmental	3,978,598	3,978,598	4,052,094
Licenses and Permits	482,053	482,053	263,420
Charges for Services	3,248,460	3,248,460	3,456,799
Fines and Forfeitures	241,000	241,000	171,223
Interest	408,000	408,000	368,560
Miscellaneous	1,611,788	1,611,788	1,814,588
<b>Total Revenues</b>	<b>26,028,224</b>	<b>26,028,224</b>	<b>25,863,847</b>
<b>Expenditures</b>			
General Government	7,657,895	7,763,018	8,026,700
Public Safety	12,363,312	12,363,312	11,949,809
Highways and Streets	4,286,641	4,583,748	4,621,617
Debt Service			
Principal Retirement	110,000	110,000	110,000
Interest and Fiscal Charges	19,080	19,080	18,580
<b>Total Expenditures</b>	<b>24,436,928</b>	<b>24,839,158</b>	<b>24,726,706</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,591,296	1,189,066	1,137,141
<b>Other Financing (Uses)</b>			
Transfers Out	(2,158,250)	(2,158,250)	(1,462,328)
<b>Net Change in Fund Balance</b>	<b>(566,954)</b>	<b>(969,184)</b>	<b>(325,187)</b>
<b>Fund Balance - Beginning</b>			<b>14,266,523</b>
<b>Fund Balance - Ending</b>			<b>13,941,336</b>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Budgetary Comparison Schedule – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Combining Statement of Changes in Assets and Liabilities – Agency Funds

## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

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## **DEBT SERVICE FUND**

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

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## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary and Trust Funds.

### **Infrastructure Capital Projects Fund**

The Infrastructure Capital Projects Fund is used to account for all resources used for construction and major improvements to the City's highways and streets and other general infrastructure.

### **Capital Projects Fund**

The Capital Projects Fund is used to account for all resources used for the acquisition of capital assets by a governmental unit except those financed by Proprietary and Trust Funds.

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## **PERMANENT FUND**

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

### **Perpetual Care Cemetery**

The Perpetual Care Cemetery Fund is used to account for perpetual care trust funds to be used for the perpetual care of the City's cemetery.

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## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been 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 purpose.

### **Waterworks Fund**

The Waterworks Fund is used to account for the provision of potable water to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

### **Sewerage Fund**

The Sewerage Fund is used to account for the provision of wastewater treatment services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

### **Electric Fund**

The Electric Fund is used to account for the provision of electric utility services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

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## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. Financing is provided by employee contributions, the annual property tax levy and investment income.

#### **Firefighters' Pension Fund**

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. Financing is provided by employee contributions, the annual property tax levy and investment income.

### **AGENCY FUNDS**

The Agency Funds are used to account for assets held by the City on behalf of others.

#### **Special Service Area Fund**

The Special Service Area Fund is used to account for payments made by property owners on related special service area debt.

#### **Escrow Deposits Fund**

The Escrow Deposits Fund is used to account for refundable deposits held by the City to ensure the completion of public improvements by private developers.

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Taxes</b>			
Property Taxes - General	\$ 5,369,923	5,369,923	5,348,484
Retailers' Occupation Tax	5,529,540	5,529,540	5,159,608
Non-Home Rule Sales Tax	2,088,508	2,088,508	1,928,285
Utility Tax	3,070,354	3,070,354	3,300,786
	<u>16,058,325</u>	<u>16,058,325</u>	<u>15,737,163</u>
<b>Intergovernmental</b>			
Illinois State Income Tax	2,296,729	2,296,729	2,388,787
Illinois State Replacement Tax	215,390	215,390	215,708
Illinois State Maintenance Reimbursement	35,000	35,000	66,555
Motor Fuel Tax	748,894	748,894	685,900
Pace Grant	8,500	8,500	622
State and Federal Grant	86,585	86,585	74,026
Township Share	22,500	22,500	15,088
Countryside Fire Protection District	230,000	230,000	234,567
Local Use Tax	335,000	335,000	370,841
	<u>3,978,598</u>	<u>3,978,598</u>	<u>4,052,094</u>
<b>Licenses and Permits</b>			
Licenses	60,900	60,900	59,254
Building Permits	421,153	421,153	204,166
	<u>482,053</u>	<u>482,053</u>	<u>263,420</u>
<b>Charges for Services</b>			
Administrative Support	2,003,756	2,003,756	2,003,756
Engineering Plan Review	38,900	38,900	27,994
Engineering Inspection Fees	51,800	51,800	38,779
Survey Monumentation Fees	14,700	14,700	7,069

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Charges for Services - Continued</b>			
Sidewalk Inspection Fees	\$ 300	300	150
Planning Commission Fees	2,300	2,300	12,740
Contractual Plan Review	8,000	8,000	6,149
Grave Openings	40,000	40,000	42,850
Plumbing Inspections	63,560	63,560	41,727
Elevator Inspections	3,300	3,300	3,840
Police Services	125,000	125,000	134,203
Employee Contributions - Insurance	611,839	611,839	626,028
Non-Employee Insurance Premium	157,805	157,805	175,969
Insurance Reimbursements	125,000	125,000	335,135
Miscellaneous	2,200	2,200	410
	<u>3,248,460</u>	<u>3,248,460</u>	<u>3,456,799</u>
<b>Fines and Forfeitures</b>			
Court Fines	221,000	221,000	151,843
Parking Fines	20,000	20,000	19,380
	<u>241,000</u>	<u>241,000</u>	<u>171,223</u>
<b>Interest</b>			
Investment Income	408,000	408,000	368,560
<b>Miscellaneous</b>			
City Maps and Publications	7,500	7,500	5,720
Waste Transfer Fee	445,000	445,000	457,743
Cable TV Franchise Fee	300,000	300,000	415,881
River Rain Payment in Lieu of Taxes	668,668	668,668	668,122
Sale of Burial Lots	14,000	14,000	12,950
Reimbursements	91,620	91,620	102,122
Street Recapture	-	-	11,274
Other	85,000	85,000	140,776
	<u>1,611,788</u>	<u>1,611,788</u>	<u>1,814,588</u>
<b>Total Revenues</b>	<u>26,028,224</u>	<u>26,028,224</u>	<u>25,863,847</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government</b>			
Legislative and Administration	\$ 1,662,386	1,662,386	1,701,756
Human Resources	388,958	388,958	327,129
Community Development	1,054,161	1,054,161	984,097
Public Works Administration	345,623	345,623	299,858
Engineering	745,204	745,204	664,822
Building and Grounds	456,382	456,382	563,803
Finance and Accounting	521,001	521,001	516,160
Information Systems	1,229,452	1,334,575	1,128,160
Utility Billing	393,325	393,325	388,354
Dial-A-Bus	58,873	58,873	39,971
Health Benefit	802,530	802,530	1,412,590
	<u>7,657,895</u>	<u>7,763,018</u>	<u>8,026,700</u>
<b>Public Safety</b>			
Police	7,729,764	7,729,764	7,455,741
Fire	4,581,708	4,581,708	4,456,413
E.S.D.A.	51,840	51,840	37,655
	<u>12,363,312</u>	<u>12,363,312</u>	<u>11,949,809</u>
<b>Highways and Streets</b>	<u>4,286,641</u>	<u>4,583,748</u>	<u>4,621,617</u>
<b>Debt Service</b>			
Principal Retirement - Motor Fuel Tax	110,000	110,000	110,000
Interest and Fiscal Charges - Motor Fuel Tax	19,080	19,080	18,580
	<u>129,080</u>	<u>129,080</u>	<u>128,580</u>
<b>Total Expenditures</b>	<u>24,436,928</u>	<u>24,839,158</u>	<u>24,726,706</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government</b>			
<b>Legislative and Administration</b>			
Regular Wages	\$ 642,352	604,352	748,617
Overtime	150	150	28
Part Time Help	22,000	60,000	30,699
Group Insurance	87,855	87,855	82,989
IMRF - City Portion	62,644	62,644	48,298
Social Security	50,834	50,834	42,761
Pension Contributions	9,360	9,360	9,360
Memberships	16,000	16,000	16,670
Training	12,000	12,000	2,140
Business Meetings	3,200	3,200	2,361
Resource Materials	1,000	1,000	1,276
Travel	300	300	64
Postage and Shipping	7,000	7,000	2,074
Office Supplies	20,000	20,000	11,561
Printing	25,000	25,000	26,871
Advertisement	4,000	4,000	975
Food	1,000	1,000	3,087
Sales Tax Rebate	95,000	95,000	31,048
Economic Development	25,000	25,000	8,000
Contract Labor	201,600	201,600	183,697
Legal Fees	167,500	167,500	138,134
BATV	180,000	180,000	287,346
Office Equipment	3,000	3,000	375
General Liability Insurance	25,000	25,000	22,735
Workmen's Compensation Premium	591	591	590
	<u>1,662,386</u>	<u>1,662,386</u>	<u>1,701,756</u>
<b>Human Resources</b>			
Regular Wages	154,903	154,903	150,573
Group Insurance	24,111	24,111	17,971
IMRF - City Portion	15,103	15,103	14,231

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government - Continued</b>			
<b>Human Resources - Continued</b>			
Social Security	\$ 11,850	11,850	10,952
Memberships	1,500	1,500	899
Training	36,000	36,000	31,005
Business Meetings	500	500	140
Resource Materials	500	500	-
Employee Recruitment	20,000	20,000	4,639
Postage and Shipping	300	300	67
Office Supplies	1,500	1,500	1,443
Printing	3,500	3,500	2,345
Flowers	1,600	1,600	1,476
Recognition Award	50,500	50,500	30,965
Medical Exams	38,720	38,720	41,243
Contract Labor	11,000	11,000	9,181
Legal Fees	14,000	14,000	8,424
Office Furniture	2,300	2,300	673
General Liability Insurance	775	775	606
Workmen's Compensation Premium	296	296	296
	<b>388,958</b>	<b>388,958</b>	<b>327,129</b>
<b>Community Development</b>			
Regular Wages	650,465	650,465	655,496
Overtime	3,000	3,000	89
Group Insurance	106,932	106,932	106,932
IMRF - City Portion	63,713	63,713	61,593
Social Security	49,990	49,990	48,072
Memberships	1,250	1,250	2,162
Training	4,400	4,400	5,169
Resource Materials	1,200	1,200	383
Postage and Shipping	5,500	5,500	6,816
Office Supplies	4,500	4,500	4,216
Printing	3,000	3,000	84
Gasoline	3,000	3,000	2,833

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government - Continued</b>			
<b>Community Development - Continued</b>			
Advertising	\$ 3,500	3,500	2,439
Telephone	2,650	2,650	2,128
Clothing Allowance	300	300	160
Meals	1,000	1,000	410
Repairs and Maintenance - Vehicle	3,000	3,000	1,527
Plumbing Inspection	37,500	37,500	31,443
Contract Labor	92,000	92,000	36,691
Office Furniture	1,500	1,500	348
General Liability Insurance	3,000	3,000	2,345
Workmen's Compensation Premium	12,761	12,761	12,761
	<u>1,054,161</u>	<u>1,054,161</u>	<u>984,097</u>
<b>Public Works Administration</b>			
Regular Wages	239,000	239,000	175,576
Overtime	7,500	7,500	7,146
Group Insurance	28,086	28,086	24,886
IMRF - City Portion	24,034	24,034	16,761
Social Security	18,857	18,857	13,368
Memberships	150	150	133
Training	500	500	2,991
Business Meetings	500	500	74
Office Supplies	1,000	1,000	1,427
Telephone	2,200	2,200	689
Household Hazardous Waste	7,500	7,500	7,000
Contract Labor	15,000	15,000	48,729
General Liability Insurance	1,000	1,000	782
Workmen's Compensation Premium	296	296	296
	<u>345,623</u>	<u>345,623</u>	<u>299,858</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued**  
**Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government - Continued</b>			
<b>Engineering</b>			
Regular Wages	\$ 428,418	428,418	408,949
Overtime	4,500	4,500	4,722
Part Time Help	7,500	7,500	8,913
Group Insurance	67,478	67,478	65,793
IMRF - City Portion	42,210	42,210	38,931
Social Security	33,692	33,692	30,955
State Unemployment	-	-	7,011
Memberships	1,200	1,200	1,083
Training	5,000	5,000	4,058
Resource Materials	500	500	448
Postage and shipping	500	500	73
Office Supplies	4,000	4,000	4,011
Gasoline	4,510	4,510	2,536
Advertising	750	750	504
Regulatory Fees	1,000	1,000	1,000
Telephone	3,650	3,650	3,441
Clothing Allowance	1,500	1,500	170
Recording Fees	600	600	582
Repairs and Maintenance - Vehicles	5,000	5,000	3,236
Contract Labor	10,700	10,700	8,490
Engineering Fees	45,000	45,000	25,777
Office Furniture	1,500	1,500	589
Other Equipment	6,040	6,040	5,782
Drainage Projects	64,000	64,000	32,467
General Liability Insurance	3,000	3,000	2,345
Workmen's Compensation Premium	2,956	2,956	2,956
	<u>745,204</u>	<u>745,204</u>	<u>664,822</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued**  
**Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government - Continued</b>			
<b>Building and Grounds</b>			
Regular Wages	\$ 41,913	41,913	46,445
Overtime	1,500	1,500	3,319
IMRF - City Portion	4,233	4,233	4,852
Social Security	3,321	3,321	3,807
Postage and Shipping	100	100	-
Office Supplies	250	250	72
Printing and Photo	400	400	-
Gasoline	500	500	629
Telephone	86,200	86,200	98,637
Utilities	86,365	86,365	84,943
General supplies	18,750	18,750	28,777
Repairs and Maintenance - Vehicles	350	350	544
Repairs and Maintenance - Building	186,661	186,661	264,576
Equipment Rental	23,500	23,500	24,082
Repairs and Maintenance - Other Equipment	1,500	1,500	2,303
General Liability Insurance	100	100	78
Workmen's Compensation Premium	739	739	739
	<u>456,382</u>	<u>456,382</u>	<u>563,803</u>
<b>Finance and Accounting</b>			
Regular Wages	346,175	346,175	344,706
Overtime	500	500	151
Group Insurance	48,961	48,961	48,961
IMRF - City Portion	33,801	33,801	32,424
Social Security	26,521	26,521	24,490
Membership	500	500	400
Training and Seminars	250	-	-
Resource Materials	400	650	630
Travel	200	200	246
Postage and Shipping	5,000	5,000	5,820

CITY OF BATAVIA, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
General Government - Continued			
Finance and Accounting - Continued			
Office Supplies	\$ 9,200	9,700	8,753
Printing	3,500	3,500	3,474
Auditing	44,000	44,000	44,830
Office Furniture	500	-	-
General Liability Insurance	1,000	1,000	782
Workmen's Compensation Premium	493	493	493
	<u>521,001</u>	<u>521,001</u>	<u>516,160</u>
Information Systems			
Regular Wages	341,122	341,122	340,351
Group Insurance	55,053	55,053	55,345
IMRF - City Portion	33,259	33,259	31,623
Social Security	26,096	26,096	24,825
Memberships	600	600	460
Training	2,870	2,870	2,883
Resource Materials	800	800	589
Travel	1,000	1,000	390
Postage and Shipping	100	100	45
Office Supplies	1,000	1,000	454
Computer Software	191,048	162,633	132,331
Computer Supplies	10,000	10,000	3,525
Gasoline	1,000	1,000	794
Telephone	27,100	162,138	155,449
Clothing Allowance	250	250	14
Computer Maintenance	41,095	41,095	14,837
Contract Labor	259,350	245,450	127,225
Software Training	10,700	10,700	1,650
Software Support	121,316	121,316	102,348
Computer	103,700	116,100	131,134
Office Furniture and Equipment	500	500	613
General Liability Insurance	1,000	1,000	782
Workmen's Compensation Premium	493	493	493
	<u>1,229,452</u>	<u>1,334,575</u>	<u>1,128,160</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued**  
**Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>General Government - Continued</b>			
<b>Utility Billing</b>			
Regular Wages	\$ 223,753	223,753	226,670
Overtime	1,000	1,000	1,576
Group Insurance	27,527	27,527	27,527
IMRF - City Portion	21,913	21,913	21,272
Social Security	17,194	17,194	16,691
Training and Seminars	2,000	2,000	347
Postage and Shipping	57,000	57,000	57,651
Office Supplies	5,000	5,000	3,066
Computer Software	12,600	12,600	12,468
Computer Supplies	9,500	9,500	10,014
Collection Fees	3,000	3,000	855
Repairs and Maintenance - Office Equipment	5,345	5,345	5,433
Contract Labor	3,000	3,000	2,611
Office Furniture	1,500	1,500	-
General Liability Insurance	1,000	1,000	782
Workmen's Compensation Premium	493	493	493
Bad Debt Expense	1,500	1,500	898
	<u>393,325</u>	<u>393,325</u>	<u>388,354</u>
<b>Dial-A-Bus</b>			
Gasoline	3,998	3,998	984
Repair and Maintenance - Vehicle	5,500	5,500	3,464
Contract Labor	49,375	49,375	35,523
	<u>58,873</u>	<u>58,873</u>	<u>39,971</u>
<b>Health Benefit</b>			
Claims Administration Fees	99,434	99,434	102,782
Insurance and Claims, Net	703,096	703,096	1,309,808
	<u>802,530</u>	<u>802,530</u>	<u>1,412,590</u>
<b>Total General Government</b>	<u>7,657,895</u>	<u>7,763,018</u>	<u>8,026,700</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Public Safety			
Police Department			
Regular Wages	\$ 4,046,373	4,046,373	3,992,719
Overtime	408,875	408,875	334,529
Auxiliary Police, Full-Time	19,250	19,250	16,688
Part Time Help	132,747	132,747	131,247
Group Insurance	799,688	799,688	808,298
IMRF - City Portion	44,914	44,914	52,045
Social Security	103,596	103,596	86,697
Pension Contributions	916,399	916,399	913,896
Board of P & F Commission	14,100	14,100	10,134
Memberships	9,345	9,345	6,699
Education Reimbursement	5,000	5,000	4,150
Training	21,025	21,025	16,897
Resource Materials	1,550	1,550	1,088
Travel	1,500	1,500	557
Postage and Shipping	5,000	5,000	4,254
Office Supplies	15,500	15,500	13,487
Vehicle Supplies	7,500	7,500	4,777
Printing	11,000	11,000	6,224
Communication Supplies	1,500	1,500	-
Investigative Supplies	5,000	5,000	2,297
Gasoline	94,300	94,300	101,328
Patrol Supplies	8,000	8,000	7,373
Community Relations	5,770	5,770	1,839
Ammunition	18,500	18,500	18,731
Telephone	21,800	21,800	23,693
Clothing Allowance	60,225	60,225	48,636
Food	1,300	1,300	1,055
Repairs and Maintenance - Vehicle	56,000	56,000	57,999
Equipment Rental	14,570	14,570	13,483
Repairs and Maintenance - Other Equipment	9,000	9,000	4,318
Contract Labor	529,545	529,545	449,616
Narcotics and Enforcement	13,400	13,400	11,994
Office Equipment	2,350	2,350	1,485

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Public Safety - Continued</b>			
<b>Police Department - Continued</b>			
Other Equipment	\$ 5,000	5,000	3,995
Vehicles	146,577	146,577	114,743
General Liability Insurance	60,000	60,000	75,205
Workmen's Compensation Premium	113,565	113,565	113,565
	<u>7,729,764</u>	<u>7,729,764</u>	<u>7,455,741</u>
<b>Fire Department</b>			
Regular Wages	1,991,632	1,991,632	2,005,886
Overtime	180,000	180,000	172,298
Part Time Help	505,356	505,356	488,036
Group Insurance	436,889	436,889	439,191
IMRF - City Portion	5,334	5,334	4,621
Social Security	73,540	73,540	66,446
Pension Contributions	512,346	512,346	510,948
State Unemployment	-	-	4,710
Memberships	4,700	4,700	3,472
EMS Training	4,700	4,700	1,900
Training and Seminars	23,900	23,900	19,454
Fire Prevention	1,500	1,500	1,401
Resource Materials	2,000	2,000	1,825
Postage and Shipping	2,000	2,000	2,370
Office Supplies	4,300	4,300	4,435
Vehicle Supplies	24,750	24,750	23,288
Printing	2,500	2,500	2,068
Communication Supplies	15,000	15,000	27,003
Investigative Supplies	1,000	1,000	-
Gasoline	34,300	34,300	41,019
Telephone	20,000	20,000	12,120
Education Materials	12,000	12,000	9,815
Hazardous Materials	3,200	3,200	3,941
Clothing Allowance	35,120	35,120	35,147
Water Rescue Materials	1,000	1,000	931
Medical Supplies	3,000	3,000	1,583
Food	5,000	5,000	2,719
Utilities	40,000	40,000	46,082
General Supplies	8,000	8,000	8,122

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued**  
**Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Public Safety - Continued</b>			
<b>Fire Department - Continued</b>			
Repairs and Maintenance - Vehicle	\$ 31,500	31,500	70,812
Repairs and Maintenance - Building	12,000	12,000	9,259
Repairs and Maintenance - Equipment	7,800	7,800	2,118
Contract Labor	353,381	353,381	209,710
S.C.B.A. Maintenance	5,000	5,000	6,567
Office Furniture	1,000	1,000	1,824
Other Equipment	15,100	15,100	12,976
General Liability Insurance	43,525	43,525	42,981
Workmen's Compensation Premium	159,335	159,335	159,335
	<u>4,581,708</u>	<u>4,581,708</u>	<u>4,456,413</u>
<b>E.S.D.A.</b>			
Part Time Help	9,494	9,494	9,494
Social Security	726	726	726
Meal Allowance	800	800	61
Memberships	325	325	379
Training	600	600	277
Travel	3,500	3,500	3,967
Office Supplies	800	800	432
Gasoline	300	300	755
Patrol Supplies	700	700	189
Telephone	1,500	1,500	2,465
Clothing Allowance	200	200	4
Utilities	1,000	1,000	839
Repairs and Maintenance - Vehicle	6,000	6,000	7,790
Repairs and Maintenance - Building	500	500	1,485
Equipment Rental	3,120	3,120	1,580
Repairs and Maintenance - Other Equipment	4,575	4,575	7,032
Contractual Services	10,900	10,900	-
Other Equipment	6,800	6,800	180
	<u>51,840</u>	<u>51,840</u>	<u>37,655</u>
<b>Total Public Safety</b>	<u>12,363,312</u>	<u>12,363,312</u>	<u>11,949,809</u>

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Highways and Streets			
Street and Sanitation			
Regular Wages	\$ 1,294,759	1,294,759	1,279,627
Overtime	157,000	244,303	247,026
Part Time Help	25,000	25,000	29,010
Group Insurance	287,474	287,474	303,595
IMRF - City Portion	141,547	141,547	142,123
Social Security	112,972	112,972	112,923
State Unemployment	5,000	5,000	-
Meal Allowance	3,500	3,500	4,390
Training	4,000	4,000	3,534
Travel	250	250	9
Supplies for Other Equipment	15,000	15,000	21,010
Office Supplies	1,500	1,500	1,914
Vehicle Supplies	35,000	35,000	43,195
Communication Supplies	1,500	1,500	885
Materials	115,000	115,000	122,256
Gasoline	63,020	108,020	108,709
Salt De-Icers	115,000	225,000	230,057
Advertising	1,000	1,000	796
Telephone	9,500	9,500	9,079
Clothing Allowance	13,000	13,000	12,011
Food	1,000	1,000	1,103
Utilities	16,125	16,125	12,860
Safety Supplies	3,000	3,000	1,879
General Supplies	30,000	30,000	30,546
Landfill Fees	4,000	4,000	10,108
Repairs and Maintenance - Vehicle	20,000	20,000	28,305
Repairs and Maintenance - Building	43,500	43,500	24,843
Equipment Rental	3,000	3,000	708
Repairs and Maintenance - Other Equipment	15,000	15,000	10,891
Contract Labor	525,500	549,186	551,303
Contract Labor - Health Department	85,000	85,000	70,502
Contract Labor - Forestry Department	200,000	200,000	196,372
Street - Other Maintenance	400,000	431,118	845,929
Street - Other Construction	400,000	400,000	4,320

**CITY OF BATAVIA, ILLINOIS**

**General Fund**

**Schedule of Detailed Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Highways and Streets - Continued			
Street and Sanitation - Continued			
Office Equipment	\$ 2,000	2,000	-
Other Equipment	11,000	11,000	15,019
General Liability Insurance	25,000	25,000	43,286
Workmen's Compensation Premium	101,494	101,494	101,494
Total Highways and Streets	4,286,641	4,583,748	4,621,617
Debt Service			
Debt Service			
Principal Retirement - Motor Fuel Tax	110,000	110,000	110,000
Interest and Fiscal Charges - Motor Fuel Tax	19,080	19,080	18,580
Total Debt Service	129,080	129,080	128,580
Total Expenditures	24,436,928	24,839,158	24,726,706

**CITY OF BATAVIA, ILLINOIS**

**Debt Service Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes	\$ 1,161,244	1,161,244	1,183,597
Interest	33,500	33,500	15,832
Miscellaneous	-	-	956
Total Revenues	<u>1,194,744</u>	<u>1,194,744</u>	<u>1,200,385</u>
Expenditures			
Debt Service			
Principal Retirement	926,350	926,350	926,350
Interest and Fiscal Charges	628,927	628,927	628,927
Total Expenditures	<u>1,555,277</u>	<u>1,555,277</u>	<u>1,555,277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(360,533)</u>	<u>(360,533)</u>	<u>(354,892)</u>
Other Financing Sources (Uses)			
Transfers In	1,751,573	1,751,573	1,770,435
Transfers Out	(678,770)	(678,770)	(1,422,605)
	<u>1,072,803</u>	<u>1,072,803</u>	<u>347,830</u>
Net Change in Fund Balance	<u>712,270</u>	<u>712,270</u>	(7,062)
Fund Balance - Beginning			<u>740,727</u>
Fund Balance - Ending			<u>733,665</u>

**CITY OF BATAVIA, ILLINOIS**

**Debt Service Fund**

**Schedule of Expenditures - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Fire Station			
Debt Service			
Principal Retirement	\$ 335,000	335,000	335,000
Interest and Fiscal Charges	395,369	395,369	395,369
	<u>730,369</u>	<u>730,369</u>	<u>730,369</u>
Building Renovation			
Debt Service			
Principal Retirement	235,000	235,000	235,000
Interest and Fiscal Charges	79,112	79,112	79,112
	<u>314,112</u>	<u>314,112</u>	<u>314,112</u>
2002 Refunding Fire and Public Works			
Debt Service			
Principal Retirement	96,350	96,350	96,350
Interest and Fiscal Charges	10,504	10,504	10,504
	<u>106,854</u>	<u>106,854</u>	<u>106,854</u>
Flood Control			
Debt Service			
Principal Retirement	180,000	180,000	180,000
Interest and Fiscal Charges	55,580	55,580	55,580
	<u>235,580</u>	<u>235,580</u>	<u>235,580</u>
Donovan Bridge			
Debt Service			
Principal Retirement	80,000	80,000	80,000
Interest and Fiscal Charges	88,362	88,362	88,362
	<u>168,362</u>	<u>168,362</u>	<u>168,362</u>
 Total Expenditures	 <u>1,555,277</u>	 <u>1,555,277</u>	 <u>1,555,277</u>

**CITY OF BATAVIA, ILLINOIS**

**Infrastructure - Capital Projects Fund**

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes	\$ 175,000	175,000	234,936
Intergovernmental	466,998	466,998	202,169
Interest	12,670	12,670	19,678
Total Revenues	654,668	654,668	456,783
Expenditures			
Capital Outlay	2,628,716	2,709,033	1,591,823
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,974,048)	(2,054,365)	(1,135,040)
Other Financing Sources			
Transfers In	781,284	781,284	810,335
Net Change in Fund Balance	(1,192,764)	(1,273,081)	(324,705)
Fund Balance - Beginning			1,024,842
Fund Balance - Ending			700,137

**CITY OF BATAVIA, ILLINOIS**

**Infrastructure - Capital Projects Fund**

**Schedule of Expenditures - Budget and Actual  
Year Ended December 31, 2008**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Capital Outlay			
Contractual Services - TIF District	\$ 1,193,764	1,267,081	217,535
Land Acquisition - TIF District	75,000	75,000	429,016
Contractual Services - TIF District #3	105,000	112,000	44,849
Engineering Fees - Donovan Bridge Project	1,162,216	1,162,216	815,061
Engineering Fees/Improvements - Fire Stations & City Hall	92,736	92,736	85,362
Total Expenditures	<u>2,628,716</u>	<u>2,709,033</u>	<u>1,591,823</u>

**CITY OF BATAVIA, ILLINOIS**

**Capital Projects Fund**

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Revenues</b>			
Charges for Services	\$ 66,800	66,800	34,217
Intergovernmental	-	-	54,000
Interest	15,000	15,000	20,290
<b>Total Revenues</b>	<b>81,800</b>	<b>81,800</b>	<b>108,507</b>
<b>Expenditures</b>			
Capital Outlay			
Other Equipment - Public Works Department	175,000	175,000	53,165
Vehicle - Fire Department	534,345	534,345	524,856
	<b>709,345</b>	<b>709,345</b>	<b>578,021</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(627,545)	(627,545)	(469,514)
Other Financing Sources			
Transfers In	325,000	325,000	325,000
Net Change in Fund Balance	<u>(302,545)</u>	<u>(302,545)</u>	(144,514)
Fund Balance - Beginning			<u>890,552</u>
Fund Balance - Ending			<u><u>746,038</u></u>

**CITY OF BATAVIA, ILLINOIS**

**Perpetual Care Cemetery - Permanent Fund**

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2008**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Charges for Services			
Care of Cemetery Lots	\$ 10,000	10,000	9,650
Interest	3,000	3,000	3,010
Total Revenues	<u>13,000</u>	<u>13,000</u>	<u>12,660</u>
Expenditures			
General Government	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Net Change in Fund Balance	<u>3,000</u>	<u>3,000</u>	2,660
Fund Balance - Beginning			<u>120,580</u>
Fund Balance - Ending			<u>123,240</u>

**CITY OF BATAVIA, ILLINOIS**

**Waterworks - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in  
Net Assets - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operating Revenues			
Charges for Services	\$ 4,488,792	4,488,792	4,087,625
Operating Expenses			
Administration	873,896	873,896	855,113
Operations	2,316,526	2,366,526	2,175,509
Depreciation	-	-	987,803
Total Operating Expenses	3,190,422	3,240,422	4,018,425
Operating Income	1,298,370	1,248,370	69,200
Nonoperating Revenues (Expenses)			
Connection Fees	9,600	9,600	1,631
Interest Income	100,000	100,000	102,173
Disposal of Capital Assets	-	-	(20,286)
Interest and Fiscal Charges	(338,607)	(338,607)	(358,109)
	(229,007)	(229,007)	(274,591)
Income (Loss) Before Contributions and Transfers	1,069,363	1,019,363	(205,391)
Capital Contributions	-	-	58,884
Transfers Out	(20,837)	(20,837)	(20,837)
Change in Net Assets	1,048,526	998,526	(167,344)
Net Assets - Beginning			18,291,542
Net Assets - Ending			18,124,198

**CITY OF BATAVIA, ILLINOIS**

**Waterworks - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Administration</b>			
General Expenses			
General Liability Insurance	\$ 65,000	65,000	50,801
Workers' Compensation Premium	29,216	29,216	29,216
Bad Debt Expense	7,000	7,000	2,416
General Support	634,131	634,131	634,131
Electric Support - Metering	138,549	138,549	138,549
Total Administration	<u>873,896</u>	<u>873,896</u>	<u>855,113</u>
<b>Operations</b>			
Water Production			
Regular Wages	170,000	170,000	132,698
Overtime	27,000	27,000	21,807
Group Insurance	32,876	32,876	29,713
IMRF - City Portion	19,208	19,208	14,262
Social Security	15,071	15,071	11,195
Production Electricity	345,215	345,215	399,724
Telephone	12,000	12,000	7,271
Chemical Materials	95,000	95,000	139,352
Utilities	4,500	4,500	3,512
General Supplies	6,000	6,000	4,288
Repairs and Maintenance - Building	50,000	50,000	7,140
Repairs and Maintenance - Other Equipment	45,000	45,000	37,767
Contract Labor	413,500	438,500	261,033
Engineering Fees	15,000	15,000	23,198
Other Equipment	10,000	10,000	1,095
	<u>1,260,370</u>	<u>1,285,370</u>	<u>1,094,055</u>

**CITY OF BATAVIA, ILLINOIS**

**Waterworks - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Water Distribution			
Regular Wages	\$ 474,000	474,000	521,398
Overtime	86,000	86,000	75,642
Part Time Help	3,000	3,000	2,102
Group Insurance	124,686	124,686	123,645
IMRF - City Portion	54,600	54,600	53,256
Social Security	43,070	43,070	41,963
State Unemployment	-	-	284
Meal Allowance	300	300	123
Memberships	1,500	1,500	2,000
Education Reimbursement	300	300	-
Training and Seminars	5,500	5,500	4,803
Business Meetings	500	500	88
Resource Materials	1,000	1,000	312
Travel	800	800	731
Postage and Shipping	500	500	276
Office Supplies	1,200	1,200	1,464
Vehicle Supplies	2,100	2,100	4,225
Materials	11,000	11,000	15,024
Gasoline	12,100	12,100	15,021
Telephone	500	500	203
Clothing Allowance	5,000	5,000	5,371
Food	800	800	671
Utilities	7,500	7,500	5,663
General Supplies	17,000	17,000	9,105
Mains	9,000	-	1,494
Fire Hydrants	-	15,000	15,450
Piping and Fitting	30,000	39,000	36,439
Landfill Fees	3,000	3,000	884
Repairs and Maintenance - Vehicle	3,500	3,500	2,844
Repairs and Maintenance - Building	43,500	43,500	23,543
Repairs and Maintenance - Other Equipment	5,000	5,000	623
Contract Labor	105,500	105,500	59,007
Julie System	1,700	1,700	1,531

**CITY OF BATAVIA, ILLINOIS**

**Waterworks - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Water Distribution - Continued			
Office Furniture	\$ 2,000	2,000	-
Other Equipment	-	10,000	56,269
	<u>1,056,156</u>	<u>1,081,156</u>	<u>1,081,454</u>
Water Improvements			
Water Meters	30,000	30,000	25,026
Fire Hydrants	15,000	-	-
Contract Labor	785,000	830,350	318,461
Engineering Fees	45,000	95,000	33,291
Vehicles	75,000	65,000	-
Land Acquisition	500,000	500,000	500,000
	<u>1,450,000</u>	<u>1,520,350</u>	<u>876,778</u>
Less Nonoperating Items			
Capital Assets Capitalized	<u>(1,450,000)</u>	<u>(1,520,350)</u>	<u>(876,778)</u>
	-	-	-
 Total Operations	 <u>2,316,526</u>	 <u>2,366,526</u>	 <u>2,175,509</u>

**CITY OF BATAVIA, ILLINOIS**

**Sewerage - Enterprise Fund**

**Balance Sheet**

**December 31, 2008**

	Operations and Maintenance	Restricted Accounts			Totals
		Bond and Interest	Bond Reserve	Depreciation Repair and Replacement	
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Investments	\$ 1,249,214	-	-	-	1,249,214
Receivables					
Accounts	512,416	-	-	-	512,416
Accrued Interest	2,022	-	-	-	2,022
Prepays	44,259	-	-	-	44,259
Restricted Cash and Investments	210,000	277,098	-	350,000	837,098
<b>Total Current Assets</b>	<b>2,017,911</b>	<b>277,098</b>	<b>-</b>	<b>350,000</b>	<b>2,645,009</b>
<b>Noncurrent Assets</b>					
<b>Capital Assets</b>					
Nondepreciable	89,066	-	-	-	89,066
Depreciable	42,705,494	-	-	-	42,705,494
Accumulated Depreciation	(12,487,031)	-	-	-	(12,487,031)
<b>Total Noncurrent Assets</b>	<b>30,307,529</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,307,529</b>
<b>Total Assets</b>	<b>32,325,440</b>	<b>277,098</b>	<b>-</b>	<b>350,000</b>	<b>32,952,538</b>

	Operations and Maintenance	Restricted Accounts			Totals
		Bond and Interest	Bond Reserve	Depreciation Repair and Replacement	
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	\$ 56,801	-	-	-	56,801
Accrued Payroll	31,611	-	-	-	31,611
Deposits Payable	11,156	-	-	-	11,156
Restricted Liabilities					
Accrued Interest Payable	-	50,604	-	-	50,604
Revenue Bonds Payable	880,786	226,494	-	-	1,107,280
Total Current Liabilities	980,354	277,098	-	-	1,257,452
Noncurrent Liabilities					
Revenue Bonds Payable	8,693,879	-	-	-	8,693,879
Total Liabilities	9,674,233	277,098	-	-	9,951,331
<b>NET ASSETS</b>					
Investment in Capital Assets - Net of Related Debt					
	20,732,864	(226,494)	-	-	20,506,370
Restricted - Debt Service	210,000	-	-	350,000	560,000
Unrestricted	1,708,343	226,494	-	-	1,934,837
Total Net Assets	22,651,207	-	-	350,000	23,001,207

**CITY OF BATAVIA, ILLINOIS**

**Sewerage - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in  
Net Assets - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operating Revenues			
Charges for Services	\$ 3,867,310	3,867,310	3,691,018
Operating Expenses			
Administration	786,571	786,571	773,411
Operations	2,087,820	2,102,820	1,821,531
Depreciation	-	-	1,325,923
Total Operating Expenses	2,874,391	2,889,391	3,920,865
Operating Income (Loss)	992,919	977,919	(229,847)
Nonoperating Revenues (Expenses)			
Connection Fees	29,500	29,500	17,096
Interest Income	87,000	87,000	61,812
Interest and Fiscal Charges	(295,186)	(295,186)	(288,051)
	(178,686)	(178,686)	(209,143)
Income (Loss) Before Contributions	814,233	799,233	(438,990)
Capital Contributions	-	-	80,280
Change in Net Assets	814,233	799,233	(358,710)
Net Assets - Beginning			23,359,917
Net Assets - Ending			23,001,207

**CITY OF BATAVIA, ILLINOIS**

**Sewerage - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Administration</b>			
General Expenses			
General Liability Insurance	\$ 65,000	65,000	54,818
Workers' Compensation Premium	19,116	19,116	19,116
Bad Debt Expense	5,000	5,000	2,022
General Support	558,906	558,906	558,906
Electric Support - Metering	138,549	138,549	138,549
<b>Total Administration</b>	<b>786,571</b>	<b>786,571</b>	<b>773,411</b>
<b>Operations</b>			
Waste Water Treatment			
Regular Wages	529,220	529,220	538,629
Overtime	95,162	95,162	96,011
Group Insurance	112,320	112,320	128,405
IMRF - City Portion	60,877	60,877	57,888
Social Security	47,765	47,765	45,440
Membership	500	500	234
Training	3,000	3,000	3,098
Resource Materials	650	650	211
Travel	150	150	17
Office Supplies	2,000	2,000	588
Lab Supplies	6,000	6,000	3,111
Gasoline	9,009	9,009	13,662
Regulatory Fees	15,500	15,500	15,500
Telephone	21,300	21,300	23,176
Clothing Allowance	3,500	3,500	2,296
Chemicals	20,000	20,000	27,781
Utilities	461,206	461,206	481,102
Safety Supplies	2,500	2,500	1,384
General Supplies	9,000	9,000	4,757
Landfill Fees	88,000	88,000	91,032
Repairs and Maintenance - Vehicle	3,500	3,500	5,316

**CITY OF BATAVIA, ILLINOIS**

**Sewerage - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Waste Water Treatment - Continued			
Repairs and Maintenance - Building	\$ 24,000	24,000	2,174
Repairs and Maintenance - Other Equipment	112,000	112,000	88,311
Contract Labor	9,750	9,750	12,636
Other Equipment	17,000	17,000	16,053
	<u>1,653,909</u>	<u>1,653,909</u>	<u>1,658,812</u>
Sanitary Sewer Maintenance			
Regular Wages	70,000	70,000	76,232
Overtime	17,000	17,000	15,334
Group Insurance	17,272	17,272	19,444
IMRF - City Portion	8,483	8,483	8,400
Social Security	6,656	6,656	6,595
Training	500	500	-
Materials	3,000	3,000	1,920
Gasoline	3,500	3,500	2,816
Clothing Allowance	1,000	1,000	610
General Supplies	2,000	2,000	883
Repairs and Maintenance - Vehicle	1,000	1,000	87
Repairs and Maintenance - Other Equipment	2,000	2,000	4,856
Contract Labor	230,000	245,000	19,921
Engineering Fees	67,000	67,000	2,632
Julie System	1,500	1,500	1,531
Other Equipment	3,000	3,000	1,458
	<u>433,911</u>	<u>448,911</u>	<u>162,719</u>

**CITY OF BATAVIA, ILLINOIS**

**Sewerage - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Sewer Improvements			
Contract Labor	\$ 659,064	659,064	-
Engineering Fees	67,000	67,000	-
Land Acquisition	10,000	10,000	-
	<u>736,064</u>	<u>736,064</u>	-
Less Nonoperating Items			
Capital Assets Capitalized	<u>(736,064)</u>	<u>(736,064)</u>	-
	<u>-</u>	<u>-</u>	-
Total Operations	<u>2,087,820</u>	<u>2,102,820</u>	<u>1,821,531</u>

**CITY OF BATAVIA, ILLINOIS**

**Sewerage - Enterprise Fund**

**Schedule of Changes in Net Assets - Restricted - Debt Service  
Year Ended December 31, 2008**

	Operations and Maintenance	Bond and Interest	Bond Reserve	Depreciation Repair and Replacement	Totals
<b>Increases</b>					
Interfund Transfers In	\$ -	1,361,819	-	-	1,361,819
<b>Decreases</b>					
Bond Principal	-	1,073,768	-	-	1,073,768
Bond Interest	-	288,051	-	-	288,051
	-	1,361,819	-	-	1,361,819
<b>Net Increase</b>	-	-	-	-	-
<b>Account Balances</b>					
January 1	210,000	-	-	350,000	560,000
December 31	210,000	-	-	350,000	560,000

**CITY OF BATAVIA, ILLINOIS**

**Electric - Enterprise Fund**

**Balance Sheet  
December 31, 2008**

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See Following Page

**CITY OF BATAVIA, ILLINOIS**

**Electric - Enterprise Fund**

**Balance Sheet  
December 31, 2008**

	Operations and Maintenance	Restricted Accounts			Totals
		Bond and Interest	Bond Reserve	Depreciation Repair and Replacement	
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Investments	\$ 9,148,047	-	-	-	9,148,047
Receivables					
Accounts	4,250,891	-	-	-	4,250,891
Accrued Interest	54,759	-	-	-	54,759
Prepays	64,686	-	-	-	64,686
Inventories	1,638,796	-	-	-	1,638,796
Restricted Cash and Investments	2,700,000	119,534	1,705,719	2,000,000	6,525,253
	<u>17,857,179</u>	<u>119,534</u>	<u>1,705,719</u>	<u>2,000,000</u>	<u>21,682,432</u>
<b>Noncurrent Assets</b>					
<b>Capital Assets</b>					
Nondepreciable	32,329,524	-	-	-	32,329,524
Depreciable	32,919,391	-	-	-	32,919,391
Accumulated Depreciation	(15,411,070)	-	-	-	(15,411,070)
Total Noncurrent Assets	<u>49,837,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,837,845</u>
Total Assets	<u>67,695,024</u>	<u>119,534</u>	<u>1,705,719</u>	<u>2,000,000</u>	<u>71,520,277</u>

	Operations and Maintenance	Restricted Accounts			Totals
		Bond and Interest	Bond Reserve	Depreciation Repair and Replacement	
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable	\$ 2,233,037	-	-	-	2,233,037
Accrued Payroll	69,570	-	-	-	69,570
Deposits Payable	90,946	-	-	-	90,946
<b>Restricted Liabilities</b>					
Accrued Interest Payable	474,752	94,951	-	-	569,703
Revenue Bonds Payable	270,417	24,583	-	-	295,000
Total Current Liabilities	3,138,722	119,534	-	-	3,258,256
<b>Noncurrent Liabilities</b>					
Revenue Bonds Payable	26,575,000	-	-	-	26,575,000
Total Liabilities	29,713,722	119,534	-	-	29,833,256
<b>NET ASSETS</b>					
Investment in Capital Assets - Net of Related Debt	22,992,428	(24,583)	-	-	22,967,845
Restricted - Debt Service	2,700,000	-	1,705,719	2,000,000	6,405,719
Unrestricted	12,288,874	24,583	-	-	12,313,457
Total Net Assets	37,981,302	-	1,705,719	2,000,000	41,687,021

**CITY OF BATAVIA, ILLINOIS**

**Electric - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in  
Net Assets - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operating Revenues			
Charges for Services	\$ 36,099,019	36,099,019	35,665,614
Operating Expenses			
Administration	2,125,271	2,125,271	2,084,097
Operations	30,771,945	30,945,945	29,637,171
Depreciation	-	-	1,122,655
Total Operating Expenses	32,897,216	33,071,216	32,843,923
Operating Income	3,201,803	3,027,803	2,821,691
Nonoperating Revenues (Expenses)			
Connection Fees	112,250	112,250	-
Interest Income	275,000	275,000	451,608
Disposal of Capital Assets	-	-	(61,598)
Interest and Fiscal Charges	(1,139,756)	(1,139,756)	(1,139,780)
	(752,506)	(752,506)	(749,770)
Change in Net Assets	2,449,297	2,275,297	2,071,921
Net Assets - Beginning			39,615,100
Net Assets - Ending			41,687,021

**CITY OF BATAVIA, ILLINOIS**

**Electric - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>Administration</b>			
<b>Meter Reader/Tester</b>			
Regular Wages	\$ 255,000	255,000	253,454
Overtime	12,200	12,200	7,636
Part Time Help	70,000	70,000	73,733
Group Insurance	74,449	74,449	73,709
IMRF - City Portion	26,052	26,052	23,824
Social Security	25,796	25,796	24,344
Fuel for Vehicles	7,000	7,000	7,577
Telephone	1,000	1,000	1,788
Clothing Allowance	3,000	3,000	3,119
General Supplies	5,000	5,000	1,867
R & M - Vehicles	1,000	1,000	951
	<u>480,497</u>	<u>480,497</u>	<u>472,002</u>
<b>General Expenses</b>			
General Liability Insurance	95,000	95,000	74,433
Workers' Compensation Premium	56,387	56,387	56,387
General Support	800,719	800,719	800,719
Payments in Lieu of Taxes	657,668	657,668	657,668
Bad Debt Expense	35,000	35,000	22,888
	<u>1,644,774</u>	<u>1,644,774</u>	<u>1,612,095</u>
<b>Total Administration</b>	<u>2,125,271</u>	<u>2,125,271</u>	<u>2,084,097</u>
<b>Operations</b>			
<b>Purchased Power</b>			
Purchased Power	27,219,620	27,219,620	26,019,858
State Utility Tax	1,313,101	1,313,101	1,328,128
	<u>28,532,721</u>	<u>28,532,721</u>	<u>27,347,986</u>

CITY OF BATAVIA, ILLINOIS

Electric - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Electric Distribution			
Regular Wages	\$ 1,428,349	1,428,349	1,338,436
Overtime	178,500	178,500	163,857
Part Time Help	25,000	25,000	18,438
Group Insurance	266,397	266,397	256,565
IMRF - City Portion	156,668	156,668	138,896
Social Security	124,836	124,836	104,186
Meal Allowance	600	600	17
Memberships	23,555	23,555	21,663
Training and Seminars	12,000	12,000	7,373
Business Meetings	500	500	-
Resource Materials	1,000	1,000	1,286
Postage and Shipping	1,500	1,500	1,450
Public Education	2,000	2,000	-
Office Supplies	7,000	7,000	4,397
Vehicle Supplies	8,000	8,000	12,880
Communication Supplies	1,000	1,000	64
Materials	10,000	10,000	3,597
Gasoline	18,958	18,958	16,967
Advertising	1,000	1,000	204
Telephone	18,500	18,500	18,011
Clothing Allowance	10,000	10,000	11,684
Food	1,000	1,000	755
Utilities	22,520	22,520	20,943
Safety Supplies	6,000	6,000	6,273
Substation Maintenance	10,000	10,000	13,878
Street Lights	50,000	50,000	21,962
General Supplies	85,000	85,000	48,036
Landfill Fees	4,000	4,000	2,071
Tree Trimming	100,000	100,000	111,861
Repairs and Maintenance - Vehicle	10,000	10,000	6,974
Repairs and Maintenance - Building	43,500	43,500	23,251
Repairs and Maintenance - Other Equipment	7,500	7,500	6,659
Contract Labor	182,500	356,500	380,105
Contract Labor - Forestry	10,000	10,000	8,634

**CITY OF BATAVIA, ILLINOIS**

**Electric - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2008**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Electric Distribution - Continued			
Engineering Fees	\$ 10,000	10,000	4,600
Julie System	1,750	1,750	1,531
Office Furniture	1,500	1,500	-
Other Equipment	-	-	53,165
Customer Transformers	-	-	59,925
	<u>2,840,633</u>	<u>3,014,633</u>	<u>2,890,594</u>
Less Nonoperating Items			
Capital Assets Capitalized	(601,409)	(601,409)	(601,409)
	<u>2,239,224</u>	<u>2,413,224</u>	<u>2,289,185</u>
Electric Improvements			
General Supplies	340,000	340,000	87,503
Electric Meters	50,000	50,000	27,767
Wire and Cable	160,000	160,000	37,924
Electric Poles	30,000	30,000	11,360
Non-Inventory Supplies	-	-	160,774
Contract Labor	403,023	738,023	677,587
Engineering Fees	20,000	20,000	25,000
Vehicles	65,000	65,000	-
Off-Site Utilities	220,000	220,000	214,343
Transformers	75,000	75,000	139,081
	<u>1,363,023</u>	<u>1,698,023</u>	<u>1,381,339</u>
Less Nonoperating Items			
Capital Assets Capitalized	(1,363,023)	(1,698,023)	(1,381,339)
	<u>-</u>	<u>-</u>	<u>-</u>
Total Operations	<u>30,771,945</u>	<u>30,945,945</u>	<u>29,637,171</u>

**CITY OF BATAVIA, ILLINOIS**

**Electric - Enterprise Fund**

**Schedule of Changes in Net Assets - Restricted - Debt Service  
Year Ended December 31, 2008**

	Operations and Maintenance	Bond and Interest	Bond Reserve	Depreciation Repair and Replacement	Totals
<b>Increases</b>					
Interfund Transfers In	\$ -	1,139,405	-	-	1,139,405
<b>Decreases</b>					
Bond Interest	-	1,139,405	-	-	1,139,405
<b>Net Increase</b>	-	-	-	-	-
<b>Account Balances</b>					
January 1	2,700,000	-	1,705,719	2,000,000	6,405,719
December 31	2,700,000	-	1,705,719	2,000,000	6,405,719

**CITY OF BATAVIA, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Net Plan Assets  
December 31, 2008**

	Police Pension	Firefighters' Pension	Totals
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,125,565	1,869,293	2,994,858
<b>Investments</b>			
U.S. Government and Agency Securities	9,926,637	1,799,865	11,726,502
Insurance Company Contracts	-	2,049,736	2,049,736
Mutual Funds	1,488,357	1,135,246	2,623,603
Equities	3,148,937	-	3,148,937
Corporate Bonds	51,958	-	51,958
<b>Receivables</b>			
Other	-	-	-
Accrued Interest	62,305	18,244	80,549
<b>Total Assets</b>	<b>15,803,759</b>	<b>6,872,384</b>	<b>22,676,143</b>
<b>Liabilities</b>			
Accounts Payable	500	4,256	4,756
<b>Net Assets</b>			
Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	15,803,259	6,868,128	22,671,387

**CITY OF BATAVIA, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Changes in Net Plan Assets  
Year Ended December 31, 2008**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 913,896	510,365	1,424,261
Contributions - Plan Members	344,910	179,172	524,082
<b>Total Contributions</b>	<b>1,258,806</b>	<b>689,537</b>	<b>1,948,343</b>
<b>Investment Income</b>			
Interest Earned	910,909	235,463	1,146,372
Net Change in Fair Value	(3,034,297)	(1,218,711)	(4,253,008)
	(2,123,388)	(983,248)	(3,106,636)
Less Investment Expenses	(130,202)	-	(130,202)
<b>Net Investment Income</b>	<b>(2,253,590)</b>	<b>(983,248)</b>	<b>(3,236,838)</b>
<b>Total Additions</b>	<b>(994,784)</b>	<b>(293,711)</b>	<b>(1,288,495)</b>
<b>Deductions</b>			
Administration	48,226	19,851	68,077
Benefits and Refunds	676,418	278,402	954,820
<b>Total Deductions</b>	<b>724,644</b>	<b>298,253</b>	<b>1,022,897</b>
<b>Change in Net Assets</b>	<b>(1,719,428)</b>	<b>(591,964)</b>	<b>(2,311,392)</b>
<b>Net Plan Assets Held in Trust for Pension Benefits</b>			
Beginning	17,522,687	7,460,092	24,982,779
Ending	15,803,259	6,868,128	22,671,387

**CITY OF BATAVIA, ILLINOIS**

**Police Pension Fund**

**Schedule of Changes in Net Plan Assets  
Year Ended December 31, 2008**

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<b>Additions</b>	
Contributions - Employer	\$ 913,896
Contributions - Plan Members	344,910
Total Contributions	<u>1,258,806</u>
<b>Investment Income</b>	
Interest Earned	910,909
Net Change in Fair Value	<u>(3,034,297)</u>
	(2,123,388)
Less Investment Expenses	<u>(130,202)</u>
Net Investment Income	<u>(2,253,590)</u>
Total Additions	<u>(994,784)</u>
<b>Deductions</b>	
Administration	48,226
Benefits and Refunds	
Benefits	<u>676,418</u>
Total Deductions	<u>724,644</u>
Change in Net Assets	(1,719,428)
<b>Net Plan Assets Held in Trust for Pension Benefits</b>	
Beginning	<u>17,522,687</u>
Ending	<u>15,803,259</u>

**CITY OF BATAVIA, ILLINOIS**

**Firefighters' Pension Fund**

**Schedule of Changes in Net Plan Assets**

**Year Ended December 31, 2008**

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Additions	
Contributions - Employer	\$ 510,365
Contributions - Plan Members	179,172
Total Contributions	<u>689,537</u>
Investment Income	
Interest Earned	235,463
Net Change in Fair Value	(1,218,711)
	<u>(983,248)</u>
Less Investment Expenses	-
Net Investment Income	<u>(983,248)</u>
Total Additions	<u>(293,711)</u>
Deductions	
Administration	19,851
Benefits and Refunds	
Benefits	278,402
Total Deductions	<u>298,253</u>
Change in Net Assets	(591,964)
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>7,460,092</u>
Ending	<u>6,868,128</u>

**CITY OF BATAVIA, ILLINOIS**

**Agency Funds**

**Combining Statement of Changes in Assets and Liabilities  
Year Ended December 31, 2008**

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	<u>Balances January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances December 31</u>
<b>All Funds</b>				
<b>ASSETS</b>				
Cash and Investments	<u>\$ 87,784</u>	<u>1,165</u>	<u>295</u>	<u>88,654</u>
<b>LIABILITIES</b>				
Deposits Payable	86,820	1,165	-	87,985
Due to Bondholders	<u>964</u>	<u>-</u>	<u>295</u>	<u>669</u>
Total Liabilities	<u>87,784</u>	<u>1,165</u>	<u>295</u>	<u>88,654</u>

**CITY OF BATAVIA, ILLINOIS**

**Agency Funds**

**Combining Schedule of Changes in Assets and Liabilities  
Year Ended December 31, 2008**

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	<u>Balances January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances December 31</u>
<b>Special Service Area Fund</b>				
<b>ASSETS</b>				
Cash and Investments	<u>\$ 964</u>	<u>-</u>	<u>295</u>	<u>669</u>
<b>LIABILITIES</b>				
Due to Bondholders	<u>964</u>	<u>-</u>	<u>295</u>	<u>669</u>
<b>Escrow Deposit Fund</b>				
<b>ASSETS</b>				
Cash and Investments	<u>86,820</u>	<u>1,165</u>	<u>-</u>	<u>87,985</u>
<b>LIABILITIES</b>				
Deposits Payable	<u>86,820</u>	<u>1,165</u>	<u>-</u>	<u>87,985</u>

## **SUPPLEMENTAL SECTION**

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 1998  
December 31, 2008**

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Date of Issue	October 1, 1998
Date of Maturity	December 15, 2014
Authorized Issue	\$2,800,000
Denomination of Bonds	\$5,000
Interest Rates	3.45% to 4.25%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 15	Amount	Dec. 15	Amount
2008	\$ 250,000	69,830	319,830	2009	34,915	2009	34,915
2009	265,000	59,830	324,830	2010	29,915	2010	29,915
2010	270,000	49,098	319,098	2011	24,549	2011	24,549
2011	285,000	38,028	323,028	2012	19,014	2012	19,014
2012	300,000	26,200	326,200	2013	13,100	2013	13,100
2013	320,000	13,600	333,600	2014	6,800	2014	6,800
	<u>1,690,000</u>	<u>256,586</u>	<u>1,946,586</u>		<u>128,293</u>		<u>128,293</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 2002A - General Portion  
December 31, 2008**

Date of Issue	October 1, 2002
Date of Maturity	January 1, 2011
Authorized Issue	\$4,115,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.65%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2007	\$ 96,350	5,252	101,602			2009	5,252
2008	99,875	7,278	107,153	2009	3,639	2010	3,639
2009	102,225	3,732	105,957	2010	1,866	2011	1,866
	<u>298,450</u>	<u>16,262</u>	<u>314,712</u>		<u>5,505</u>		<u>10,757</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bond Series of 2002A - Water Portion  
December 31, 2008**

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Date of Issue	October 1, 2002
Date of Maturity	January 1, 2011
Authorized Issue	\$4,115,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.65%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2007	\$ 313,650	17,098	330,748			2009	17,098
2008	325,125	23,688	348,813	2009	11,844	2010	11,844
2009	332,775	12,146	344,921	2010	6,073	2011	6,073
	<u>971,550</u>	<u>52,932</u>	<u>1,024,482</u>		<u>17,917</u>		<u>35,015</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bond Series of 2005**

**December 31, 2008**

Date of Issue	July 18, 2005
Date of Maturity	January 1, 2025
Authorized Issue	\$2,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% to 5.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2007	\$ 80,000	44,181	124,181			2009	44,181
2008	85,000	85,562	170,562	2009	42,781	2010	42,781
2009	85,000	82,376	167,376	2010	41,188	2011	41,188
2010	90,000	79,188	169,188	2011	39,594	2012	39,594
2011	95,000	75,812	170,812	2012	37,906	2013	37,906
2012	95,000	72,250	167,250	2013	36,125	2014	36,125
2013	100,000	67,500	167,500	2014	33,750	2015	33,750
2014	105,000	62,500	167,500	2015	31,250	2016	31,250
2015	110,000	57,250	167,250	2016	28,625	2017	28,625
2016	110,000	51,750	161,750	2017	25,875	2018	25,875
2017	115,000	46,250	161,250	2018	23,125	2019	23,125
2018	120,000	40,500	160,500	2019	20,250	2020	20,250
2019	125,000	34,500	159,500	2020	17,250	2021	17,250
2020	130,000	28,250	158,250	2021	14,125	2022	14,125
2021	140,000	21,750	161,750	2022	10,875	2023	10,875
2022	145,000	14,750	159,750	2023	7,375	2024	7,375
2023	150,000	7,500	157,500	2024	3,750	2025	3,750
	<u>1,880,000</u>	<u>871,869</u>	<u>2,751,869</u>		<u>413,844</u>		<u>458,025</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**Alternate Revenue Bond Series of 1995  
December 31, 2008**

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Date of Issue	December 4, 1995
Date of Maturity	December 1, 2010
Authorized Issue	\$1,000,000
Denomination of Bonds	\$5,000
Interest Rates	4.7% to 4.8%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 90,000	8,880	98,880	2009	4,440	2009	4,440
2010	95,000	4,560	99,560	2010	2,280	2010	2,280
	<u>185,000</u>	<u>13,440</u>	<u>198,440</u>		<u>6,720</u>		<u>6,720</u>

The City has pledged Motor Fuel Tax revenues for the payment of bond principal and interest.

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**Alternate Revenue Bond Series of 1996  
December 31, 2008**

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Date of Issue	July 1, 1996
Date of Maturity	December 1, 2010
Authorized Issue	\$275,000
Denomination of Bonds	\$5,000
Interest Rates	5.1% to 5.7%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 30,000	3,420	33,420	2009	1,710	2009	1,710
2010	30,000	1,710	31,710	2010	855	2010	855
	<u>60,000</u>	<u>5,130</u>	<u>65,130</u>		<u>2,565</u>		<u>2,565</u>

The City has pledged Motor Fuel Tax revenues for the payment of bond principal and interest.

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**Alternate Revenue Bond Series of 1998  
December 31, 2008**

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Date of Issue	May 1, 1998
Date of Maturity	December 1, 2013
Authorized Issue	\$2,500,000
Denomination of Bonds	\$5,000
Interest Rates	4.375% to 4.6%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2009	\$ 190,000	47,480	237,480	2009	23,740	2009	23,740
2010	200,000	38,930	238,930	2010	19,465	2010	19,465
2011	210,000	29,930	239,930	2011	14,965	2011	14,965
2012	220,000	20,480	240,480	2012	10,240	2012	10,240
2013	230,000	10,580	240,580	2013	5,290	2013	5,290
	<u>1,050,000</u>	<u>147,400</u>	<u>1,197,400</u>		<u>73,700</u>		<u>73,700</u>

The City has pledged sales tax revenues for the payment of bond principal and interest.

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**Alternate Revenue Bond Series of 2006**

**December 31, 2008**

Date of Issue	April 6, 2006
Date of Maturity	January 1, 2026
Authorized Issue	\$10,000,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% - 4.50%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Citibank N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2008	\$ 355,000	381,968	736,968	2010	190,984	2010	190,984
2009	370,000	367,768	737,768	2011	183,884	2011	183,884
2010	390,000	352,970	742,970	2012	176,485	2012	176,485
2011	405,000	336,394	741,394	2013	168,197	2013	168,197
2012	425,000	319,182	744,182	2014	159,591	2014	159,591
2013	445,000	301,118	746,118	2015	150,559	2015	150,559
2014	465,000	282,206	747,206	2016	141,103	2016	141,103
2015	490,000	262,444	752,444	2017	131,222	2017	131,222
2016	510,000	241,618	751,618	2018	120,809	2018	120,809
2017	535,000	219,944	754,944	2019	109,972	2019	109,972
2018	560,000	197,206	757,206	2020	98,603	2020	98,603
2019	590,000	173,406	763,406	2021	86,703	2021	86,703
2020	615,000	148,332	763,332	2022	74,166	2022	74,166
2021	645,000	122,194	767,194	2023	61,097	2023	61,097
2022	675,000	94,782	769,782	2024	47,391	2024	47,391
2023	710,000	65,250	775,250	2025	32,625	2025	32,625
2024	740,000	33,300	773,300	2026	16,650	2026	16,650
	<u>8,925,000</u>	<u>3,900,082</u>	<u>12,825,082</u>		<u>1,950,041</u>		<u>1,950,041</u>

The City has pledged sales tax revenues for the payment of bond principal and interest.

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Sewer Revenue Bond Series of 1989**

**December 31, 2008**

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Date of Issue	October 9, 1989
Date of Maturity	October 9, 2010
Authorized Issue	\$1,164,355
Interest Rates	3.745%
Interest Dates	April 9 and October 9
Principal Maturity Date	October
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

<u>Fiscal Year</u>	<u>Requirements</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2009	\$ 83,878	5,624	89,502
2010	87,050	2,452	89,502
	<u>170,928</u>	<u>8,076</u>	<u>179,004</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Sewer Revenue Bond Series of 1990**

**December 31, 2008**

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Date of Issue	October 15, 1990
Date of Maturity	October 15, 2012
Authorized Issue	\$6,886,000
Interest Rates	3.745%
Interest Dates	April 15 and October 15
Principal Maturity Date	October
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

<u>Fiscal Year</u>	<u>Requirements</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2009	\$ 441,130	56,626	497,756
2010	458,008	39,748	497,756
2011	475,218	22,538	497,756
2012	244,303	4,575	248,878
	<u>1,618,659</u>	<u>123,487</u>	<u>1,742,146</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Sewer Revenue Bond Series of 1999**

**December 31, 2008**

Date of Issue	May 1, 2001
Date of Maturity	May 1, 2020
Authorized Issue	\$1,025,139
Interest Rates	2.535%
Interest Dates	May 1 and November 1
Principal Maturity Date	May
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		Totals
	Principal	Interest	
2009	\$ 50,705	16,339	67,044
2010	51,999	15,045	67,044
2011	53,326	13,718	67,044
2012	54,686	12,358	67,044
2013	56,081	10,963	67,044
2014	57,512	9,532	67,044
2015	58,979	8,065	67,044
2016	60,483	6,561	67,044
2017	62,026	5,018	67,044
2018	63,609	3,435	67,044
2019	65,231	1,813	67,044
2020	22,475	282	22,757
	<u>657,112</u>	<u>103,129</u>	<u>760,241</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Sewer Revenue Bond Series of 1999A  
December 31, 2008**

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Date of Issue	November 1, 2001
Date of Maturity	November 1, 2020
Authorized Issue	\$10,938,990
Interest Rates	2.535%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1 and November 1
Payable at	Illinois Environmental Protection Agency

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		Totals
	Principal	Interest	
2009	\$ 531,567	183,088	714,655
2010	545,127	169,528	714,655
2011	559,034	155,621	714,655
2012	573,295	141,360	714,655
2013	587,920	126,735	714,655
2014	602,919	111,736	714,655
2015	618,299	96,356	714,655
2016	634,073	80,582	714,655
2017	650,248	64,407	714,655
2018	666,836	47,819	714,655
2019	683,848	30,807	714,655
2020	701,294	13,361	714,655
	<u>7,354,460</u>	<u>1,221,400</u>	<u>8,575,860</u>

**CITY OF BATAVIA, ILLINOIS**

**Long-Term Debt Requirements**

**Revenue Bond Series of 2006 - Electric  
December 31, 2008**

Date of Issue	May 1, 1998
Date of Maturity	January 1, 2037
Authorized Issue	\$30,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.5% to 4.5%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	LaSalle National Trust, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	Jan. 1	Amount
2008	\$ 285,000	569,703	854,703			2009	569,703
2009	295,000	1,129,430	1,424,430	2009	564,715	2010	564,715
2010	305,000	1,119,106	1,424,106	2010	559,553	2011	559,553
2011	315,000	1,108,430	1,423,430	2011	554,215	2012	554,215
2012	605,000	1,097,406	1,702,406	2012	548,703	2013	548,703
2013	630,000	1,073,206	1,703,206	2013	536,603	2014	536,603
2014	655,000	1,048,006	1,703,006	2014	524,003	2015	524,003
2015	680,000	1,021,806	1,701,806	2015	510,903	2016	510,903
2016	710,000	994,606	1,704,606	2016	497,303	2017	497,303
2017	735,000	966,206	1,701,206	2017	483,103	2018	483,103
2018	765,000	936,806	1,701,806	2018	468,403	2019	468,403
2019	795,000	906,206	1,701,206	2019	453,103	2020	453,103
2020	830,000	874,406	1,704,406	2020	437,203	2021	437,203
2021	865,000	840,376	1,705,376	2021	420,188	2022	420,188
2022	900,000	804,694	1,704,694	2022	402,347	2023	402,347
2023	935,000	766,894	1,701,894	2023	383,447	2024	383,447
2024	975,000	727,156	1,702,156	2024	363,578	2025	363,578
2025	1,020,000	685,718	1,705,718	2025	342,859	2026	342,859
2026	1,060,000	642,368	1,702,368	2026	321,184	2027	321,184
2027	1,105,000	597,318	1,702,318	2027	298,659	2028	298,659
2028	1,155,000	550,356	1,705,356	2028	275,178	2029	275,178
2029	1,205,000	499,826	1,704,826	2029	249,913	2030	249,913
2030	1,255,000	447,106	1,702,106	2030	223,553	2031	223,553
2031	1,310,000	392,200	1,702,200	2031	196,100	2032	196,100
2032	1,370,000	334,888	1,704,888	2032	167,444	2033	167,444
2033	1,430,000	274,950	1,704,950	2033	137,475	2034	137,475
2034	1,490,000	210,600	1,700,600	2034	105,300	2035	105,300
2035	1,560,000	143,550	1,703,550	2035	71,775	2036	71,775
2036	1,630,000	73,338	1,703,338	2036	36,675	2037	36,663
	<u>26,870,000</u>	<u>20,836,661</u>	<u>47,706,661</u>		<u>10,133,485</u>		<u>10,703,176</u>

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue sources.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

**CITY OF BATAVIA, ILLINOIS**

**Net Assets by Component  
December 31, 2008 (Unaudited)**

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**See Following Page**

**CITY OF BATAVIA, ILLINOIS**

**Net Assets by Component - Last Six Fiscal Years\***  
**December 31, 2008 (Unaudited)**

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	<u>2003</u>
<b>Governmental Activities</b>	
Invested in Capital Assets, Net of Related Debt	\$ 51,316,177
Restricted	1,383,810
Unrestricted	<u>6,279,243</u>
Total Governmental Activities Net Assets	<u><u>58,979,230</u></u>
<b>Business-Type Activities</b>	
Invested in Capital Assets, Net of Related Debt	49,131,314
Restricted	560,000
Unrestricted	<u>19,382,799</u>
Total Business-Type Activities Net Assets	<u><u>69,074,113</u></u>
<b>Primary Government</b>	
Invested in Capital Assets, Net of Related Debt	100,447,491
Restricted	1,943,810
Unrestricted	<u>25,662,042</u>
Total Primary Government Net Assets	<u><u>128,053,343</u></u>

\* Accrual Basis of Accounting

Note: The City implemented GASB No. 34 for fiscal year 2003.

2004	2005	2006	2007	2008
53,435,734	54,007,767	56,436,503	58,043,517	59,368,474
1,706,428	2,655,489	2,725,514	4,144,776	3,898,823
7,533,840	8,057,531	10,891,346	12,519,599	11,929,557
<b>62,676,002</b>	<b>64,720,787</b>	<b>70,053,363</b>	<b>74,707,892</b>	<b>75,196,854</b>
55,901,461	55,546,192	52,291,412	57,578,542	58,492,879
560,000	560,000	6,965,719	6,965,719	6,965,719
15,857,580	17,924,403	17,858,940	16,722,298	17,353,828
<b>72,319,041</b>	<b>74,030,595</b>	<b>77,116,071</b>	<b>81,266,559</b>	<b>82,812,426</b>
109,337,195	109,553,959	108,727,915	115,622,059	117,861,353
2,266,428	3,215,489	9,691,233	11,110,495	10,864,542
23,391,420	25,981,934	28,750,286	29,241,897	29,283,385
<b>134,995,043</b>	<b>138,751,382</b>	<b>147,169,434</b>	<b>155,974,451</b>	<b>158,009,280</b>

**CITY OF BATAVIA, ILLINOIS**

**Changes in Net Assets - Last Six Fiscal Years\*  
December 31, 2008 (Unaudited)**

	2003	2004	2005	2006	2007	2008
<b>Expenses</b>						
<b>Governmental Activities</b>						
General Government	\$ 5,500,138	5,106,748	6,386,249	6,584,012	6,451,060	8,146,104
Public Safety	8,698,103	9,702,403	10,121,222	10,402,997	12,215,741	12,121,625
Highways and Streets	4,846,756	5,236,687	5,067,474	5,582,728	6,183,985	6,260,339
Interest on Long-Term Debt	323,873	287,526	298,690	753,633	684,256	645,989
<b>Total Governmental Activities Expenses</b>	<b>19,368,870</b>	<b>20,333,364</b>	<b>21,873,635</b>	<b>23,323,370</b>	<b>25,535,042</b>	<b>27,174,057</b>
<b>Business-Type Activities</b>						
Waterworks	2,457,911	2,930,784	3,627,668	3,966,794	4,254,129	4,396,820
Sewerage	3,729,470	3,873,299	4,241,377	4,203,810	4,470,801	4,208,916
Electric	22,343,757	22,414,600	26,519,599	26,008,557	31,961,842	34,045,301
<b>Total Business-Type Activities Expenses</b>	<b>28,531,138</b>	<b>29,218,683</b>	<b>34,388,644</b>	<b>34,179,161</b>	<b>40,686,772</b>	<b>42,651,037</b>
<b>Total Primary Government Expenses</b>	<b>47,900,008</b>	<b>49,552,047</b>	<b>56,262,279</b>	<b>57,502,531</b>	<b>66,221,814</b>	<b>69,825,094</b>
<b>Program Revenues</b>						
<b>Governmental Activities</b>						
Charges for Services						
General Government	3,835,249	4,167,069	5,339,196	4,656,976	4,049,006	3,764,086
Public Safety	134,874	166,104	262,939	262,228	221,761	171,223
Operating Grants/Contributions	198,322	230,637	190,320	194,000	238,000	234,567
Capital Grants/Contributions	893,624	3,563,277	951,987	2,069,115	1,875,829	1,008,624
<b>Total Governmental Activities Program Revenues</b>	<b>5,062,069</b>	<b>8,127,087</b>	<b>6,744,442</b>	<b>7,182,319</b>	<b>6,384,596</b>	<b>5,178,500</b>
<b>Business-Type Activities</b>						
Charges for Services						
Waterworks	2,585,426	3,504,389	4,398,278	4,364,265	4,445,495	4,087,625
Sewerage	3,911,638	3,843,013	3,811,702	3,652,958	3,642,300	3,691,018
Electric	23,485,602	24,096,264	26,610,687	27,914,884	35,121,078	35,665,614
Operating Grants/Contributions	262,365	249,062	237,926	109,591	20,297	18,727
Capital Grants/Contributions	1,469,876	721,438	911,002	469,848	-	139,164
<b>Total Business-Type Program Revenues</b>	<b>31,714,907</b>	<b>32,414,166</b>	<b>35,969,595</b>	<b>36,511,546</b>	<b>43,229,170</b>	<b>43,602,148</b>
<b>Total Primary Government Program Revenues</b>	<b>36,776,976</b>	<b>40,541,253</b>	<b>42,714,037</b>	<b>43,693,865</b>	<b>49,613,766</b>	<b>48,780,648</b>

Net (Expense) Revenue									
Governmental Activities	\$ (14,306,801)	(12,206,277)	(15,129,193)	(16,141,051)	(19,150,446)	(21,995,557)			
Business-Type Activities	3,183,769	3,195,483	1,580,951	2,332,385	2,542,398	951,111			
Total Primary Government Net Revenue (Expense)	<u>(11,123,032)</u>	<u>(9,010,794)</u>	<u>(13,548,242)</u>	<u>(13,808,666)</u>	<u>(16,608,048)</u>	<u>(21,044,446)</u>			
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Property Taxes	4,610,601	5,273,418	5,288,191	5,962,071	6,470,013	6,767,017			
Sales Taxes	4,758,157	4,971,878	5,195,982	7,464,511	7,636,826	7,087,893			
Utility Taxes	2,559,210	2,682,374	2,587,486	2,844,460	3,081,641	3,300,786			
Other Taxes	34,724	31,623	28,898	-	-	-			
Income Tax	1,687,830	1,866,577	2,189,790	2,400,894	2,590,454	2,759,628			
Replacement Tax	113,188	126,698	172,496	186,896	221,048	215,708			
Other	112,128	154,143	59,322	68,180	455,311	89,736			
Interest Income	122,250	156,581	346,860	1,057,465	1,042,689	427,370			
Miscellaneous	787,093	571,039	1,235,041	1,449,075	2,186,492	1,815,544			
Transfers	68,083	68,718	69,912	40,075	20,501	20,837			
Total Governmental Activities	<u>14,853,264</u>	<u>15,903,049</u>	<u>17,173,978</u>	<u>21,473,627</u>	<u>23,704,975</u>	<u>22,484,519</u>			
Business-Type Activities									
Interest Income	313,872	314,392	433,992	793,166	1,628,591	615,593			
Transfers	(68,083)	(68,718)	(69,912)	(40,075)	(20,501)	(20,837)			
Total Business-Type Activities	<u>245,789</u>	<u>245,674</u>	<u>364,080</u>	<u>753,091</u>	<u>1,608,090</u>	<u>594,756</u>			
Total Primary Government	<u>15,099,053</u>	<u>16,148,723</u>	<u>17,538,058</u>	<u>22,226,718</u>	<u>25,313,065</u>	<u>23,079,275</u>			
Changes in Net Assets									
Governmental Activities	546,463	3,696,772	2,044,785	5,332,576	4,554,529	488,962			
Business-Type Activities	3,429,558	3,441,157	1,945,031	3,085,476	4,150,488	1,545,867			
Total Primary Government	<u>3,976,021</u>	<u>7,137,929</u>	<u>3,989,816</u>	<u>8,418,052</u>	<u>8,705,017</u>	<u>2,034,829</u>			

\* Accrual Basis of Accounting

Note: The City implemented GASB No. 34 for fiscal year 2003.

**CITY OF BATAVIA, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\*  
December 31, 2008 (Unaudited)**

	1999	2000	2001
<b>General Fund</b>			
Reserved	\$ 15,176	518,088	34,682
Unreserved	3,282,395	3,306,378	3,985,599
<b>Total General Fund</b>	<b>3,297,571</b>	<b>3,824,466</b>	<b>4,020,281</b>
<b>All Other Governmental Funds</b>			
Reserved	30,492	35,947	28,079
Unreserved, Reported in			
Special Revenue Funds	895,382	871,847	1,541,020
Debt Service Funds	228,810	347,688	277,674
Capital Projects Funds	2,086,806	1,961,804	2,376,263
<b>Total All Other Governmental Funds</b>	<b>3,241,490</b>	<b>3,217,286</b>	<b>4,223,036</b>

\* Modified Accrual Basis of Accounting

2002	2003	2004	2005	2006	2007	2008
1,584,553	1,546,180	1,544,849	1,564,244	1,375,615	1,568,044	1,838,047
4,882,632	8,543,602	7,190,782	5,631,610	11,075,495	12,698,479	12,103,289
6,467,185	10,089,782	8,735,631	7,195,854	12,451,110	14,266,523	13,941,336
262,964	695,102	417,649	305,936	978,700	861,307	856,905
-	-	-	-	-	-	-
1,075,296	2,652,526	1,008,364	1,215,887	11,173,375	1,915,394	1,446,175
1,338,260	3,347,628	1,426,013	1,521,823	12,152,075	2,776,701	2,303,080

**CITY OF BATAVIA, ILLINOIS**

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years\*  
December 31, 2008 (Unaudited)**

	1999	2000	2001
<b>Revenues</b>			
Taxes	\$ 8,153,599	9,413,587	10,229,158
Intergovernmental	2,825,230	3,428,265	3,428,855
Licenses and Permits	428,923	484,027	381,566
Charges for Services	1,347,846	866,522	2,624,394
Fines and Forfeitures	106,851	99,411	91,969
Interest Income	111,281	236,336	157,852
Miscellaneous	584,387	608,414	494,822
<b>Total Revenues</b>	<b>13,558,117</b>	<b>15,136,562</b>	<b>17,408,616</b>
<b>Expenditures</b>			
General Government	2,910,309	3,614,324	4,662,094
Public Safety	5,277,453	6,283,340	6,823,868
Highways and Streets	1,817,631	2,463,940	2,061,059
Miscellaneous	567,642	564,046	703,264
Capital Outlay	1,018,045	918,357	677,797
Debt Service			
Principal Retirement	570,000	730,000	960,000
Interest and Fiscal Charges	581,765	434,564	408,869
<b>Total Expenditures</b>	<b>12,742,845</b>	<b>15,008,571</b>	<b>16,296,951</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>815,272</b>	<b>127,991</b>	<b>1,111,665</b>
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	-	295,000	-
Debt Issuance Premium	-	-	-
Payment to Escrow Agent	-	-	-
Transfers In	779,324	824,276	979,839
Transfers Out	(710,672)	(744,576)	(889,939)
	<b>68,652</b>	<b>374,700</b>	<b>89,900</b>
<b>Net Change in Fund Balances</b>	<b>883,924</b>	<b>502,691</b>	<b>1,201,565</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>9.82%</b>	<b>8.27%</b>	<b>8.76%</b>

\* Modified Accrual Basis of Accounting

2002	2003	2004	2005	2006	2007	2008
11,024,227	11,962,692	12,959,293	13,100,557	16,271,042	17,188,480	17,155,696
3,151,540	3,005,092	3,392,332	3,563,915	4,919,085	5,380,642	4,308,263
423,468	556,332	546,906	504,569	481,697	380,021	263,420
2,458,993	3,278,917	3,620,163	4,834,627	4,175,279	3,668,985	3,500,666
154,448	134,874	166,104	262,939	262,228	221,761	171,223
114,233	122,250	156,581	346,860	1,057,465	1,042,689	427,370
481,682	787,093	571,039	1,235,041	1,449,075	2,186,492	1,815,544
17,808,591	19,847,250	21,412,418	23,848,508	28,615,871	30,069,070	27,642,182
4,813,740	5,497,117	4,896,245	6,294,992	6,485,812	6,374,376	8,036,700
7,141,702	8,552,323	9,562,783	10,028,916	10,569,945	12,067,288	11,949,809
2,706,443	3,381,952	3,662,442	4,177,690	4,838,314	4,447,607	4,621,617
757,380	-	-	-	-	-	-
2,714,079	596,870	737,453	1,096,306	3,497,877	13,003,125	2,169,844
1,197,450	806,575	881,275	883,325	1,304,300	1,071,650	1,036,350
408,723	330,571	296,971	261,425	793,923	685,486	647,507
19,739,517	19,165,408	20,037,169	22,742,654	27,490,171	37,649,532	28,461,827
(1,930,926)	681,842	1,375,249	1,105,854	1,125,700	(7,580,462)	(819,645)
2,217,025	-	-	2,000,000	10,000,000	-	-
-	-	-	100,000	-	-	-
(944,629)	-	-	-	-	-	-
621,178	731,558	665,243	665,925	1,831,980	3,866,520	2,905,770
(522,491)	(663,475)	(596,525)	(596,013)	(1,791,905)	(3,846,019)	(2,884,933)
1,371,083	68,083	68,718	2,169,912	10,040,075	20,501	20,837
(559,843)	749,925	1,443,967	3,275,766	11,165,775	(7,559,961)	(798,808)
9.43%	6.12%	6.10%	5.29%	9.25%	6.98%	6.33%

**CITY OF BATAVIA, ILLINOIS**

**Equalized Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

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<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Farm Property</b>	<b>Commercial Property</b>
1999	\$ 347,400,985	3,700,593	52,998,037
2000	372,283,958	3,696,254	60,486,185
2001	404,849,665	3,694,185	68,893,264
2002	448,091,664	4,080,539	72,461,436
2003	498,817,625	3,792,932	77,531,484
2004	558,692,175	4,277,092	92,226,983
2005	610,936,400	4,083,962	98,100,789
2006	683,901,433	3,981,078	107,668,502
2007	743,997,664	6,071,624	121,969,088
2008	805,260,627	5,356,121	131,481,073

Data Source: Office of the County Assessor

Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
72,638,975	476,738,590	71,770	476,810,360	0.7555
80,773,606	517,240,003	89,861	517,329,864	0.7079
89,353,731	566,790,845	92,326	566,883,171	0.6740
101,047,239	625,680,878	100,078	625,780,956	0.6547
108,244,329	688,386,370	105,401	688,491,771	0.6210
113,477,923	768,674,173	87,004	768,761,177	0.6236
131,015,821	844,136,972	85,113	844,222,085	0.5531
134,484,376	930,035,389	78,643	930,114,032	0.5747
141,679,201	1,013,717,577	84,309	1,013,801,886	0.5550
164,271,286	1,106,369,107	109,180	1,106,478,287	0.5417

**CITY OF BATAVIA, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years\*  
December 31, 2008 (Unaudited)**

	1999	2000	2001
Direct City Rate			
City of Batavia	0.7555	0.7079	0.6740
Overlapping Rates			
Kane County	0.4912	0.4772	0.4677
Kane County Forest Preserve District	0.1171	0.1985	0.1634
Batavia Township	0.1176	0.1099	0.1034
Batavia Township Road District	0.0666	0.0621	0.0572
Batavia Park District	0.4427	0.4339	0.4266
Batavia Library District	0.2699	0.2712	0.1482
Batavia Library 1998 Bond District	0.0000	0.0000	0.0657
Batavia Library 1999 Bond District	0.0000	0.0000	0.0471
School District #101	4.4393	4.6536	4.4264
Community College District #516	0.4459	0.4358	0.4295
Total Direct and Overlapping Tax Rate	<u>7.1458</u>	<u>7.3501</u>	<u>7.0092</u>

\* Rates are per \$100 of Assessed Value

Data Source: Office of the County Clerk

N/A - This information is not available.

2002	2003	2004	2005	2006	2007	2008
0.6547	0.6210	0.6236	0.5531	0.5747	0.5550	0.5417
0.4529	0.4292	0.3578	0.3467	0.3367	0.3451	0.3321
0.1520	0.1395	0.1270	0.1432	0.1904	0.1747	0.1974
0.0981	0.0924	0.0873	0.0840	0.0808	0.0792	0.0770
0.0517	0.0464	0.0438	0.0421	0.0405	0.0397	0.0386
0.4380	0.4139	0.4458	0.4506	0.4226	0.4410	0.4389
0.1484	0.2340	0.2533	0.2826	0.2850	0.2868	0.2611
0.0618	0.0546	0.0480	0.0427	0.0406	0.0390	0.0349
0.0422	0.0412	0.0396	0.0372	0.0330	0.0297	0.0487
4.3276	4.2412	4.3072	4.6508	4.7369	4.6989	4.6989
0.4131	0.4043	0.4134	0.4099	0.3933	0.3984	0.3950
6.8405	6.7177	6.7468	7.0429	7.1346	7.0874	7.0644

**CITY OF BATAVIA, ILLINOIS**

**Principal Property Tax Payers - Current Year and Nine Years Ago  
December 31, 2008 (Unaudited)**

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Liberty Property LP	\$ 8,794,693	1	0.87%			
Kir Batavia 051	8,736,220	2	0.86%			
Holmstad	7,215,597	3	0.71%	\$ 6,307,895	1	1.41%
Partylite Worldwide	6,927,544	4	0.68%			
ALDI, Inc.	4,518,757	5	0.45%	5,238,788	2	1.17%
Vista Investments	4,406,468	6	0.43%			
Prairie Bank Trust Company	4,356,559	7	0.43%			
America National Bank	4,166,135	8	0.41%	2,944,055	4	0.66%
Rreef America Reit II Corp	4,074,088	9	0.40%			
Sam's Real Estate Business	3,991,958	10	0.39%			
VWR Scientific				3,299,703	3	0.74%
Millard Warehouse				2,747,040	5	0.62%
Continental Illinois Nat'l Bank				2,522,232	6	0.56%
American Can Company				2,109,278	7	0.47%
LaSalle Trust				1,922,093	8	0.43%
Assisi Home				1,674,301	9	0.38%
The Northern Trust Company				1,666,500	10	0.37%
	<u>57,188,019</u>		<u>5.63%</u>	<u>30,431,885</u>		<u>6.81%</u>

Data Source: Office of the County Clerk

**CITY OF BATAVIA, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

Fiscal Year Ended Dec. 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	\$ 3,733,024	\$ N/A	N/A	\$ N/A	\$ 3,727,671	99.86%
2000	3,820,793	N/A	N/A	N/A	3,782,435	99.00%
2001	3,957,028	N/A	N/A	N/A	3,956,093	99.98%
2002	4,230,032	N/A	N/A	N/A	4,226,766	99.92%
2003	4,275,538	N/A	N/A	N/A	4,311,246	100.84%
2004	4,793,995	N/A	N/A	N/A	4,771,251	99.53%
2005	4,668,970	N/A	N/A	N/A	4,649,284	99.58%
2006	5,286,412	N/A	N/A	N/A	5,353,101	101.26%
2007	5,561,777	N/A	N/A	N/A	5,625,920	101.15%
2008	5,777,695	N/A	N/A	N/A	5,827,347	100.86%

Data Source: Office of the County Clerk

N/A - Currently Not Available

**CITY OF BATAVIA, ILLINOIS**

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

Fiscal Year Ended Dec. 31	Governmental Activities			
	General Obligation Bonds	Alternate Revenue Bonds	Installment Contracts	Tax Increment Financing Bonds
1999	\$ 5,070,000	\$ 3,655,000	\$ -	\$ 476,000
2000	4,695,000	3,440,000	295,000	336,000
2001	4,280,000	3,210,000	236,000	80,000
2002	4,297,025	2,970,000	1,050,000	80,000
2003	3,850,575	2,745,000	800,000	-
2004	3,399,000	2,460,000	550,000	-
2005	4,839,400	2,185,000	300,000	-
2006	14,080,100	1,890,000	50,000	-
2007	4,103,450	10,845,000	-	-
2008	3,692,100	10,220,000	-	-

Note: Details regarding the Park District's outstanding debt can be found in the notes to the financial statements.

(1) See Demographic and Economic Statistics Schedule for personal income and population data.

Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
General Obligation Bonds	Revenue Bonds			
\$ 4,060,000	\$ 7,606,964	\$ 20,867,964	5.77%	\$ 1,031
3,850,000	14,457,202	27,073,202	4.08%	1,134
3,590,000	16,707,789	28,103,789	4.24%	1,178
3,437,975	15,795,507	27,630,507	4.17%	1,158
2,601,000	14,854,523	24,851,098	3.58%	995
2,092,275	17,757,947	26,259,222	3.78%	1,051
1,560,600	21,661,447	30,546,447	4.40%	1,223
1,269,900	52,230,425	69,520,425	10.02%	2,783
1,269,900	50,958,778	67,177,128	9.68%	2,689
971,550	49,414,002	64,297,652	9.27%	2,574

**CITY OF BATAVIA, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Debt Payable from Other Sources	Net General Obligation Bonds	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
1999	\$ 5,070,000	\$ 259,302	\$ 4,810,698	1.009%	\$ 237.73
2000	4,695,000	383,635	4,311,365	0.833%	180.65
2001	4,280,000	305,753	3,974,247	0.701%	166.52
2002	4,297,025	262,964	4,034,061	0.645%	169.03
2003	3,850,575	194,501	3,656,074	0.531%	146.37
2004	3,399,000	309,419	3,089,581	0.402%	123.69
2005	4,839,400	500,298	4,339,102	0.514%	173.72
2006	14,080,100	863,351	13,216,749	1.421%	529.14
2007	4,103,450	740,727	3,362,723	0.332%	134.63
2008	3,692,100	733,665	2,958,435	0.267%	118.44

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

(1) See Equalized Assessed Value and Actual Value of Taxable Property Schedule for actual taxable value of property data.

(2) See Demographic and Economic Statistics Schedule for population data.

**CITY OF BATAVIA, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2008 (Unaudited)**

Governmental Unit	Debt Outstanding	Percentage of Debt Applicable to City	City's Share of Debt
City of Batavia	\$ 13,912,100	100.00%	\$ 13,912,100
<b>Overlapping Debt</b>			
School District #101	112,320,000	80.50%	90,417,600
School District #304	186,165,535	7.82%	14,558,145
Community College District #516	78,920,796	10.76%	8,491,878
Kane County	82,045,000	7.21%	5,915,445
Kane County Forest Preserve District	260,115,866	7.21%	18,754,354
Batavia Park District	9,519,780	79.51%	7,569,177
Batavia Library 1998 Bond District	3,425,000	84.55%	2,895,838
Batavia Library 1999 Bond District	2,700,000	84.55%	2,282,850
Geneva Park District	27,229,510	14.84%	4,040,859
Subtotal Overlapping Debt	762,441,487		154,926,145
Total Direct and Overlapping Debt	776,353,587		168,838,245

Data Source: Office of the County Clerk

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

**CITY OF BATAVIA, ILLINOIS**

**Legal Debt Margin - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

	1999	2000	2001	2002
Equalized Assessed Value	<u>\$ 476,810,360</u>	<u>517,329,864</u>	<u>566,883,171</u>	<u>625,780,956</u>
Legal Debt Limit				
8.625% of Equalized Assessed Value	41,124,894	44,619,701	48,893,673	53,973,607
Amount of Debt Applicable to Limit	<u>9,130,000</u>	<u>8,545,000</u>	<u>7,870,000</u>	<u>7,755,000</u>
Legal Debt Margin	<u>31,994,894</u>	<u>36,074,701</u>	<u>41,023,673</u>	<u>46,218,607</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>22.20%</u>	<u>19.15%</u>	<u>16.10%</u>	<u>14.37%</u>

2003	2004	2005	2006	2007	2008
688,491,771	768,761,177	844,222,085	930,114,032	1,013,801,886	1,079,650,885
59,382,415	66,305,652	72,814,155	80,222,335	87,440,413	93,119,889
6,145,000	5,290,000	6,400,000	5,769,900	5,075,000	4,461,550
53,237,415	61,015,652	66,414,155	74,452,435	82,365,413	88,658,339
10.35%	7.98%	8.79%	7.19%	5.80%	4.79%

**CITY OF BATAVIA, ILLINOIS**

**Pledged-Revenue Coverage - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

Waterworks Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
1999	\$ -	\$ -	\$ -	\$ -	\$ -	-
2000	-	-	-	-	-	-
2001	-	-	-	-	-	-
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	3,504,389	2,252,735	1,251,654	-	118,319	10.58
2005	4,398,278	2,565,132	1,833,146	243,092	228,319	3.89
2006	4,364,265	2,696,307	1,667,958	611,570	347,043	1.74
2007	4,445,495	2,925,011	1,520,484	1,086,108	352,332	1.06
2008	4,087,625	3,030,622	1,057,003	864,991	358,109	0.86

Sewerage Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
1999	\$ 3,743,526	\$ 1,479,910	\$ 2,263,616	\$ 362,335	\$ 222,640	3.87
2000	3,154,647	1,442,663	1,711,984	376,031	208,293	2.93
2001	3,190,587	1,550,926	1,639,661	697,874	563,456	1.30
2002	3,370,721	1,786,262	1,584,459	946,603	483,354	1.11
2003	3,911,638	2,000,690	1,910,948	940,984	435,968	1.39
2004	3,843,013	2,158,224	1,684,789	949,558	413,826	1.24
2005	3,811,702	2,520,999	1,290,703	979,141	389,814	0.94
2006	3,652,958	2,540,459	1,112,499	1,009,683	351,912	0.82
2007	3,642,300	2,826,132	816,168	1,041,215	320,837	0.60
2008	3,691,018	2,594,942	1,096,076	1,073,767	288,051	0.80

Electric Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
1999	\$ -	\$ -	\$ -	\$ -	\$ -	-
2000	-	-	-	-	-	-
2001	-	-	-	-	-	-
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
2006	27,914,884	24,456,744	3,458,140	-	221,864	15.59
2007	35,121,078	29,729,951	5,391,127	-	1,139,405	4.73
2008	35,665,614	31,721,268	3,944,346	-	1,139,405	3.46

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

**CITY OF BATAVIA, ILLINOIS**

**Demographic and Economic Statistics - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

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Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
1999	20,236	\$ 361,556,612	\$ 17,867	2.40%
2000	23,866	663,069,078	27,783	2.40%
2001	23,866	663,069,078	27,783	3.30%
2002	23,866	663,069,078	27,783	4.70%
2003	24,978	693,963,774	27,783	4.90%
2004	24,978	693,963,774	27,783	4.60%
2005	24,978	693,963,774	27,783	4.00%
2006	24,978	693,963,774	27,783	3.30%
2007	24,978	693,963,774	27,783	3.80%
2008	24,978	693,963,774	27,783	5.10%

Data Source: U.S. Bureau of the Census

N/A - Information is not available.

**CITY OF BATAVIA, ILLINOIS**

**Principal Employers - Current Year and Nine Fiscal Years Ago  
December 31, 2008 (Unaudited)**

Employer	2008			1999		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fermi National Accelerator Laboratory	2,000	1	16.47%	2,150	1	24.44%
Suncast Corporation	450	2	3.71%	450	3	5.11%
Agco Corporation	425	3	3.50%	425	4	4.83%
Eagle Contrete	300	4	2.47%	175	10	1.99%
Power Packaging	250	5	2.06%			
Sealy Mattress Company	250	6	2.06%	200	7	2.27%
VWR International	225	7	1.85%			
Aldi	200	8	1.65%	200	6	2.27%
Waste Management	200	9	1.65%	200	8	2.27%
DuKane Contract Services	160	10	1.32%			
Siemens-Furnas Controls				500	2	5.68%
Unit School District #101				400	5	4.55%
Infilco Degremont				180	9	2.05%
<b>Total</b>	<b>4,460</b>		<b>36.73%</b>	<b>4,880</b>		<b>55.47%</b>

Data Source: U.S. Bureau of the Census

**CITY OF BATAVIA, ILLINOIS**

**Full-Time Equivalent City Government Employees by Function - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

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**CITY OF BATAVIA, ILLINOIS**

**Full-Time Equivalent City Government Employees by Function - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

	1999	2000	2001
General Government			
Administration	6	9	7
Finance	9	10	10
Building and Zoning	7	11	10
Public Safety			
Police			
Officers	40	42	42
Civilians	6	5	5
Fire			
Firefighters and Officers	18	19	19
Civilians	1	1	1
Highways and Streets	24	24	24
Waterworks	14	14	14
Sewerage	8	8	8
Electric	17	18	19
<b>Total</b>	<b>150</b>	<b>161</b>	<b>159</b>

Data Source: Various City Departments

2002	2003	2004	2005	2006	2007	2008
9	9	7	10	9	9	9
10	9	10	8	8	8	7
11	12	12	11	13	14	12
42	45	45	45	45	45	44
6	5	5	5	5	6	6
23	23	23	23	23	23	23
1	1	1	1	1	1	1
22	23	23	23	24	25	24
14	14	16	10	11	11	11
8	8	8	8	8	8	8
19	19	19	22	22	23	23
165	168	169	166	169	173	168

**CITY OF BATAVIA, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

	1999	2000	2001
<b>General Government</b>			
Tobacco Licenses	23	24	23
Liquor Licenses	29	29	32
<b>Public Safety</b>			
<b>Police</b>			
Part I Crimes	582	766	706
Part II Crimes	1,837	1,918	2,112
Parking Violations	2,121	2,108	2,140
Traffic Violations	2,569	1,940	2,035
<b>Fire</b>			
Emergency Responses	2,898	2,736	2,790
Fires Extinguished	106	100	114
Inspections	585	600	555
<b>Highways and Streets</b>			
Parkway Trees Planted	132	154	241
Leaves Collected (Cubic Yards)	7,784	9,288	9,796
Street Resurfacing (Miles)	4	4	4
<b>Waterworks</b>			
Number of Metered Accounts	7,916	8,249	8,363
Number of Hydrants Flushed/Inspected	1,440	1,460	1,480
New Connections	223	333	114
Water Average Daily Consumption (Millions of Gallons)	3,085	2,985	3,035
<b>Sewerage</b>			
Number of Metered Accounts	7,866	7,978	8,201
Average Daily Sewage Treatment (Millions of Gallons)	3,313	2,959	2,976
<b>Electric</b>			
Number of Metered Accounts	8,359	9,685	9,795
MW Hours Sold	336,181	325,233	339,866

Data Source: Various City Departments

2002	2003	2004	2005	2006	2007	2008
26	22	21	25	25	24	27
35	34	34	38	43	40	39
640	683	668	624	638	687	701
2,061	2,215	1,919	1,779	2,005	1,608	2,018
2,318	2,659	2,458	2,955	2,467	2,143	1,928
2,936	2,464	3,530	4,016	4,718	3,473	2,162
2,773	2,863	3,039	2,935	3,146	3,242	3,378
110	131	129	147	112	115	125
560	538	572	553	595	605	800
318	405	445	424	433	243	189
10,692	9,015	7,974	8,595	7,594	8,115	9,557
4	3	4	5	5	5	5
8,539	8,763	8,979	9,067	9,177	9,228	9,244
1,500	1,520	1,540	1,560	1,580	1,600	1,615
176	224	186	118	110	51	3
3,293	3,095	2,993	3,221	2,989	3,010	3,000
8,373	8,515	8,767	8,899	9,001	9,201	9,218
3,384	3,005	3,269	2,967	3,703	3,335	3,900
10,032	9,162	9,345	9,385	9,456	9,458	10,801
362,654	364,785	380,630	409,951	417,738	427,247	416,339

**CITY OF BATAVIA, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
December 31, 2008 (Unaudited)**

	1999	2000	2001
<b>Public Safety</b>			
<b>Police</b>			
Stations	1	1	1
Area Patrols	1	1	1
Patrol Units	12	12	14
<b>Fire</b>			
Fire Stations	2	2	2
Fire Engines	6	6	6
<b>Public Works</b>			
Urban Street Miles	87	94	96
Rural Street Miles	7	7	7
<b>Total Street Miles</b>	<b>94</b>	<b>101</b>	<b>103</b>
<b>Waterworks</b>			
Water Mains (Miles)	101	103	105
Fire Hydrants	1,300	1,350	1,400
<b>Sewerage</b>			
Sanitary Sewers (Miles)	112	114	116
Storm Sewers (Miles)	89	96	98
<b>Electric</b>			
Over Head (Percentage)	36.0%	39.0%	40.0%
Substations	6	6	6

Data Source: Various City Departments

2002	2003	2004	2005	2006	2007	2008
1	1	1	1	1	1	1
1	1	1	1	1	1	1
14	14	14	14	13	13	13
2	2	2	2	2	2	2
6	6	6	6	6	6	6
98	101	103	105	106	106	106
7	7	7	7	7	7	7
105	108	110	112	113	113	113
108	110	112	113	116	116	116
1,450	1,500	1,550	1,600	1,600	1,600	1,600
118	120	120	122	124	126	126
100	103	105	107	108	108	108
40.0%	41.0%	42.0%	43.0%	43.0%	45.0%	45.0%
6	6	6	5	5	5	5