

Enterprise Fund - Wastewater

The Enterprise funds are used to account for the acquisition, operation and maintenance of City-owned utilities. Separate accounting and financial reporting of these municipal services allow for accountability of utility rates. The rates and fees charged for the service must be sufficient to provide for all operations and maintenance of the utility. Enterprise accounting allows the City to demonstrate the total cost of providing the service. Unlike, the General Fund, all direct and indirect costs, debt service and capital expenditures required to provide the service are reported within the fund so as to readily identify the true cost of the service. The existence of an enterprise fund does not create a separate or autonomous entity from the City. Like every other department, the budget is reviewed and analyzed by administration and finance.

The Batavia Wastewater Treatment Facility is a continuous aerobic biological treatment plant. There are 18 lift stations throughout the City that send wastewater back to the treatment plant through approximately 100 miles of sanitary sewer lines. The City has some combined sanitary/storm sewers. There are approximately 9,100 sewer customers.

Wastewater Treatment and Sanitary Sewer Maintenance

The Wastewater Division has the ultimate responsibility for treating all of the City's sanitary sewerage and combination storm water before returning it to the Fox River. Capital assets of the division include the treatment plant and 18 Lift Stations throughout the City. The treatment plant has many components, which include an excess flow facility, a headworks facility, primary and secondary clarifiers, aeration nitrification basins, ultraviolet disinfection equipment, anaerobic digesters and a sludge handling facility.

Strategic Goals for Environmental Identity

- **Integrate environmental principles into Utility operations**

The City contributes \$6,500 (\$0.25/capita) to the Fox River Study Group (FRSG). The FRSG is a coalition of stakeholders working to assess water quality issues in the Fox River watershed. These issues have a direct impact on the City's NPDES Permit. Funding for the FRSG is provided through various grants, IEPA and community contributions.

Strategic Goals for Financial Sustainability

- **Develop a five-year financial management plan**

A five-year capital improvement plan has been developed for expansion and upgrades.

- **Provide for the adequate maintenance of capital**

Phase I of the Wastewater Treatment Facility rehabilitation project began in 2013. Several equipment and process items are being replaced and/or repaired due to long-term wear. Included in the 2017 budget is \$600,000 for Construction Engineering Services for Phase I. Construction Engineering is eligible for reimbursement through IEPA low interest loans once the loans are approved.

- **Deliver high quality City services that meet the needs of the community while continually working to control expenditures**
 - Optimize use of technology and foster innovation

For many years, the WWTP has been using an outdated maintenance software to schedule and track maintenance of equipment both at the WWTP and the 18 lift stations throughout the community. In 2017, Public Works will be implementing new asset management software (VueWorks) that will allow for greater oversight and tracking of our assets.

Within the 2017 WWTP budget are moneys budgeted for SCADA Upgrades. These upgrades are necessary to ensure faster and more reliable information about what is going on in the system, this in turn will allow staff to better respond to emergencies within the system.

- **Be proactive on legislative issues with financial implications for the City**

The City has been a member of the Fox River Study Group (FRSG) since its inception in 2001 and a City Staff member has been on the Board of Directors for the last 7-years. The FRSG meets monthly with IEPA, NGO's, Stakeholders (other NPDES Permit holders) and involved community members

to formulate the most cost-effective and science-based efforts to remove the Fox River from the Illinois Environmental Protection Agency's list of impaired waters (1998 303(d) list).

The most significant impact on the capital budget will be the expansion/rehabilitation of the WWTP. It has been projected by the City's engineering consultants (Trotter & Associates, Inc.) that costs will be \$60-\$65 Million over the next 12-15 years. A rate study for this and other Capital Projects has been completed and presented to Council. Council approved a new sewer/water rate structure in 2016. The WWTP project will be funded with IEPA low interest loans.

City of Batavia 2017 Annual Budget

Fund #31 — Wastewater Fund Summary

Description	Actual 2014	Actual 2015	Approved Budget 2016	Estimated 2016	Proposed Budget 2017
Surplus and Reserves	\$1,375,423	\$2,077,648		\$2,423,607	\$1,369,709
01 Utility Operating Revenues	\$4,441,040	\$4,754,134	\$4,866,500	\$5,006,579	\$5,291,041
02 Utility Nonoperating Revenues	\$96,135	\$60,834	\$75,775	\$57,500	\$50,775
06 Other Revenues	\$1,992	\$3,313	\$500	\$5,000	\$500
08 Revenue Bond Proceeds	\$0	\$0	\$2,000,000	\$0	\$17,806,650
Total Revenue	\$4,539,167	\$4,818,281	\$6,942,775	\$5,069,079	\$23,148,966
Wastewater Improvements	\$241,099	\$587,960	\$2,690,260	\$1,900,000	\$17,956,650
Waste Water Treatment	\$2,300,490	\$2,385,412	\$2,552,010	\$2,562,772	\$2,618,302
Sanitary Sewer	\$428,668	\$629,087	\$902,271	\$788,370	\$1,224,069
Revenue Bond Payments	\$866,685	\$869,863	\$871,835	\$871,835	\$866,482
Total Expense	\$3,836,942	\$4,472,322	\$7,016,376	\$6,122,977	\$22,665,503
Surplus/(Deficit)	\$702,225	\$345,959	(\$73,601)	(\$1,053,898)	\$483,463
Surplus and Reserves	\$2,077,648	\$2,423,607		\$1,369,709	\$1,853,172

City of Batavia 2017 Annual Budget

Revenues

Fund #31 — Wastewater Fund

Acct.	Description	Actual 2014	Actual 2015	Approved Budget 2016	Estimated 2016	Proposed Budget 2017
4710	Residential Sewer Charges	\$3,057,868	\$3,242,664	\$3,345,000	\$3,393,483	\$3,573,191
4715	Comm & Indust Sewer Charges	\$1,349,935	\$1,478,204	\$1,490,000	\$1,575,596	\$1,682,850
4721	Sewer Penalties	\$33,237	\$33,266	\$31,500	\$37,500	\$35,000
	01 Utility Operating Revenues	\$4,441,040	\$4,754,134	\$4,866,500	\$5,006,579	\$5,291,041
4725	Sewer Treatment Charges	\$33,355	\$40,140	\$50,000	\$32,000	\$35,000
4730	Sanitary Sewer Recapture	\$10,165	\$10,145	\$10,000	\$0	\$0
4735	Sanitary Sewer Inspection	\$770	\$700	\$775	\$500	\$775
4740	Sewer Connections	\$51,845	\$9,849	\$15,000	\$25,000	\$15,000
	02 Utility Nonoperating Revenues	\$96,135	\$60,834	\$75,775	\$57,500	\$50,775
5000	Investment Income	\$1,992	\$3,313	\$500	\$5,000	\$500
	06 Other Revenues	\$1,992	\$3,313	\$500	\$5,000	\$500
4750	Bond/Loan Proceeds	\$0	\$0	\$2,000,000	\$0	\$17,806,650
	08 Revenue Bond Proceeds	\$0	\$0	\$2,000,000	\$0	\$17,806,650
	Total Revenue	\$4,539,167	\$4,818,281	\$6,942,775	\$5,069,079	\$23,148,966

City of Batavia 2017 Annual Budget

Fund # 31 — Wastewater Fund

Department #00 — Revenues

Detail on Significant Items

Account

4750	Bond/Loan Proceeds		
	IEPA Loan Reimbursements		\$17,806,650
		Total	\$17,806,650

City of Batavia 2017 Annual Budget

Expenditures

Fund #31 — Wastewater Fund

Department #81 — Wastewater Improvements

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2014	2015	Budget	2016	Budget
				2016		2017
6445	Capital Equipment	\$34,955	\$31,288	\$150,000	\$150,000	\$150,000
6450	Vehicles & Equipment	\$38,599	\$30,694	\$0	\$0	\$0
6475	Wastewater Treatment Infrastructure	\$167,545	\$525,978	\$2,540,260	\$1,750,000	\$17,806,650
	Wastewater Improvements	\$241,099	\$587,960	\$2,690,260	\$1,900,000	\$17,956,650

City of Batavia 2017 Annual Budget

Fund # 31 — Wastewater Fund

Department #81 — Wastewater Improvements

Detail on Significant Items

Account

6445 Capital Equipment

SCADA Equipment Lift Stations	\$150,000
Total	\$150,000

6475 Wastewater Treatment Infrastructure

Projected construction 2017 costs for WWTP rehabilitation - see CIP worksheet in the Appendix for details.	\$17,806,650
Total	\$17,806,650

City of Batavia 2017 Annual Budget

Expenditures

Fund #31 — Wastewater Fund

Department #82 — Waste Water Treatment

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2014	2015	Budget 2016	2016	Budget 2017
6101	Salaries and Wages	\$514,699	\$529,596	\$541,752	\$540,457	\$528,000
6102	Overtime	\$20,497	\$22,419	\$23,164	\$26,517	\$77,400
6103	Double-time	\$14,609	\$19,160	\$16,524	\$21,244	\$21,644
6104	Stand-by	\$37,039	\$26,512	\$39,015	\$40,459	\$41,268
6107	Part-time Wages	\$20,608	\$26,002	\$28,656	\$23,158	\$28,656
6120	City Health Ins Contribution	\$122,183	\$129,153	\$143,126	\$138,979	\$137,589
6121	City IMRF Pension Contribution	\$73,151	\$26,104	\$81,466	\$82,545	\$82,603
6122	City Share FICA and Medicare	\$43,440	\$45,237	\$49,657	\$49,865	\$53,318
6126	Workers Compensation Contrib	\$12,000	\$12,000	\$10,000	\$10,000	\$10,000
6205	Memberships	\$236	\$251	\$250	\$275	\$300
6210	Training & Seminars	\$1,937	\$1,575	\$3,800	\$1,000	\$3,800
6215	Resource Materials	\$416	\$197	\$200	\$0	\$200
6230	Office Supplies	\$396	\$780	\$700	\$525	\$700
6238	Lab Supplies	\$4,614	\$6,725	\$7,000	\$4,000	\$7,000
6241	Fuel	\$8,152	\$4,828	\$7,000	\$2,800	\$7,000
6248	Regulatory Fees	\$15,500	\$15,500	\$15,500	\$15,500	\$15,500
6250	Telephone	\$51,869	\$63,430	\$59,550	\$75,618	\$5,000
6255	Clothing & Uniforms	\$3,391	\$3,272	\$2,800	\$3,375	\$3,500
6258	Chemicals	\$26,490	\$19,845	\$28,000	\$23,225	\$28,600
6260	Utilities	\$433,402	\$498,532	\$535,000	\$538,240	\$545,000
6261	Safety Supplies	\$792	\$1,382	\$1,500	\$2,200	\$2,000
6264	General Supplies	\$3,084	\$4,403	\$3,500	\$3,500	\$3,600
6286	Landfill Fees	\$105,891	\$118,233	\$120,350	\$110,000	\$156,000
6310	R & M Vehicles	\$4,699	\$10,764	\$3,000	\$2,400	\$2,500
6315	R & M Building	\$3,141	\$3,911	\$5,000	\$5,500	\$5,000
6340	R & M Field Equipment	\$123,384	\$96,903	\$125,000	\$149,500	\$130,000
6355	Professional Services	\$37,545	\$62,196	\$35,000	\$25,636	\$55,430
6505	Liability & Property Insurance	\$37,493	\$37,171	\$34,000	\$34,000	\$35,134
6625	Bad Debt Expense	\$8,844	\$14,762	\$9,000	\$9,754	\$10,000
6629	Water/Sewer Metering	\$125,988	\$137,785	\$137,500	\$137,500	\$121,560
6630	General Fund Administration	\$445,000	\$446,784	\$485,000	\$485,000	\$500,000
	Waste Water Treatment	\$2,300,490	\$2,385,412	\$2,552,010	\$2,562,772	\$2,618,302

City of Batavia 2017 Annual Budget

Fund # 31 — Wastewater Fund

Department #82 — Waste Water Treatment

Detail on Significant Items

Account

Personnel

- (1) Superintendent of Wastewater
- (1) Chief Operator
- (4) Wastewater Plant Operator
- (1) PT Lab Technician
- (1) PT Administrative Assistant

6102	Overtime	
	Increased overtime during construction as digesters will be offline and will require additional monitoring.	\$77,400
	Total	\$77,400
<hr/>		
6107	Part-time Wages	
	Contract Lab Tech	\$24,656
	Seasonal Worker	\$4,000
	Total	\$28,656
<hr/>		
6248	Regulatory Fees	
	IEPA NPDES Permit Fees	\$15,500
	Total	\$15,500
<hr/>		
6286	Landfill Fees	
	Higher Landfill Fees due to the digester going offline during construction	\$156,000
	Total	\$156,000
<hr/>		
6355	Professional Services	
	Annual Backflow Prevention Testing	\$500
	Outsourced Lab Analysis	\$7,500
	Fox River Study Group	\$6,250
	Lift Station/Landscape Maintenance	\$2,000
	Various Professional Services	\$7,500

City of Batavia 2017 Annual Budget

Fund # 31 — Wastewater Fund

Department #82 — Waste Water Treatment

Detail on Significant Items

Account

Arc Flash Analysis/Testing	\$10,000
Rental Space during Rehab (3 months)	\$21,000
Asset Mgt Software Maintenance	\$680
Total	\$55,430

6630 General Fund Administration

Construction and IEPA Loan Assistance requires more assistance from the Finance Department	\$500,000
Total	\$500,000

City of Batavia 2017 Annual Budget

Expenditures

Fund #31 — Wastewater Fund

Department #83 — Sanitary Sewer

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2014	2015	Budget 2016	2016	Budget 2017
6101	Salaries and Wages	\$65,117	\$78,171	\$84,745	\$84,745	\$83,500
6102	Overtime	\$4,105	\$9,858	\$5,200	\$6,600	\$7,000
6103	Double-time	\$1,067	\$2,063	\$2,000	\$800	\$1,500
6120	City Health Ins Contribution	\$15,180	\$19,042	\$16,885	\$17,334	\$17,160
6121	City IMRF Pension Contribution	\$8,990	\$3,680	\$12,072	\$12,099	\$11,371
6122	City Share FICA and Medicare	\$5,088	\$5,978	\$7,034	\$7,049	\$7,038
6210	Training & Seminars	\$0	\$0	\$500	\$0	\$500
6240	Materials	\$5,085	\$584	\$5,500	\$1,000	\$1,000
6241	Fuel	\$2,980	\$2,049	\$3,500	\$2,000	\$2,200
6255	Clothing & Uniforms	\$532	\$739	\$800	\$800	\$800
6264	General Supplies	\$723	\$1,726	\$1,500	\$1,200	\$1,500
6268	Water/Sewer Meters	\$100,756	\$79,793	\$100,000	\$70,000	\$100,000
6276	Other Equipment	\$1,037	\$0	\$37,000	\$20,000	\$0
6310	R & M Vehicles	\$0	\$112	\$2,500	\$0	\$2,500
6340	R & M Field Equipment	\$3,261	\$8,239	\$5,000	\$2,800	\$5,000
6355	Professional Services	\$6,272	\$22,694	\$20,000	\$14,000	\$20,000
6380	Julie System	\$1,713	\$2,001	\$3,000	\$3,000	\$3,000
6450	Vehicles & Equipment	\$0	\$0	\$0	\$0	\$175,000
6473	Sanitary Sewer Capital	\$206,762	\$392,358	\$595,035	\$544,943	\$785,000
	Sanitary Sewer	\$428,668	\$629,087	\$902,271	\$788,370	\$1,224,069

City of Batavia 2017 Annual Budget

Fund # 31 — Wastewater Fund

Department #83 — Sanitary Sewer

Detail on Significant Items

Account

6355	Professional Services	
	Pipeline Root Foaming	\$15,000
	Lateral Line Rehabilitation	\$5,000
	Total	\$20,000
<hr/>		
6450	Vehicles & Equipment	
	Sewer Cleaning/Flushing Truck (50% Fund 71-Streets)	\$175,000
	Total	\$175,000
<hr/>		
6473	Sanitary Sewer Capital	
	Main Street Sanitary Sewer Lining	\$685,000
	Sanitary Sewer Clean and Televisise	\$100,000
	Total	\$785,000

City of Batavia 2017 Annual Budget

Expenditures

Fund #31 — Wastewater Fund

Department #98 — Revenue Bond Payments

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2014	2015	Budget	2016	Budget
				2016		2017
6601	Principal Payment	\$754,199	\$766,518	\$779,355	\$779,355	\$797,752
6602	Interest Expense	\$112,486	\$103,345	\$92,480	\$92,480	\$68,730
	Revenue Bond Payments	\$866,685	\$869,863	\$871,835	\$871,835	\$866,482

City of Batavia 2017 Annual Budget

Fund # 31 — Wastewater Fund

Department #98 — Revenue Bond Payments

Detail on Significant Items

Account

6601 Principal Payment

GO Bond Series 2013 - Treatment Plant Due 11/01/2017	\$640,000
GO Bond Series - Lift Station Due 11/01/2017	\$60,000
Recovery Bonds Payment Due 12/15/2017	\$97,752
Total	\$797,752

6602 Interest Expense

GO Bond Series 2013 - Treatment Plant Due 05/01/2017	\$26,400
GO Bond Series 2013 - Treatment Plant Due 11/01/2017	\$26,400
GO Bond Series 2013 - Lift Station Due 05/01/2017	\$2,050
GO Bond Series 2013 - Lift Station Due 11/01/2017	\$2,050
Recovery Bonds Interest Due 06/15/2017	\$5,915
Recovery Bonds Interest Due 12/15/2017	\$5,915
Total	\$68,730