



*City of Batavia*

*2012 Annual Budget*

Photo taken by Frank Marino at the Ceremony held at City Hall to commemorate the 10<sup>th</sup> Anniversary of September 11, 2001.

## **City of Batavia**

### **Values Statement:**

We value the diversity, productivity and innovation of our residents and the contributions they make to our community.

We value friendliness and caring in creating a sense of community, quality of life and hometown atmosphere.

We value a commitment to continually improve the quality, reliability and affordability of city services.

We value the preservation of our historical character while seeking to develop growth and prosperity.

We value the stewardship of our natural environment through the protection and conservation of natural resources.

We value honesty and integrity in all that we say and do.

### **Vision Statement:**

The vision for the City of Batavia is to be the most vibrant and welcoming community for our residents and visitors with a full range of housing, business, cultural and recreational opportunities in a safe, sustainable and attractive environment.

### **Mission Statement:**

The mission of the City of Batavia is to continually enhance the quality of life enjoyed within our community through the development and delivery of reliable and efficient municipal services.

### **High-Priority Strategic Issues for: 2013 - 2017**

1. Financial Sustainability: Revenue and Finances.
2. Downtown Development – “City Center” concept.
3. Business Development and Retention.
4. Housing (broadly conceived, affordability, crime free, stock maintenance, demographic diversity)
5. Community Connectivity. (Broadly conceived, identity, communications, access).
6. Environmental Identity. (The Fox River, Green Policies - associated with the City mission and vision)

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# List of Officials

**Honorable Jeffery D. Schielke, Mayor**

## **City Council**

Ward 1:	<b>Garran Sparks</b>	<b>Michael F. O'Brien</b>
Ward 2:	<b>Victor Dietz</b>	<b>Alan P. Wolff</b>
Ward 3:	<b>Dan Chanzit</b>	<b>Janet Jungels</b>
Ward 4:	<b>Susan Stark</b>	<b>James T. Volk</b>
Ward 5:	<b>Eldon Frydendall</b>	<b>Lucy Thelin Atac</b>
Ward 6:	<b>Robert F. Liva</b>	<b>Lisa Clark</b>
Ward 7:	<b>David J. Brown</b>	<b>Dawn Tenuta</b>

## **City Administrator**

William R. McGrath

### **Assistant City Administrator**

Jason Bajor

### **City Clerk**

Heidi L. Wetzel

### **City Attorney**

Drendel & Jansons Law Group

### **City Treasurer**

Gerald R. Miller

## **Department Heads**

### **Director of Community Development**

Jerry Swanson

### **Director of Finance**

Peggy Colby

### **Director of Information Systems**

Howard Chason

### **Director of Public Works**

Gary Holm

### **City Engineer**

Noel Basquin

### **Fire Chief**

Randy Deicke

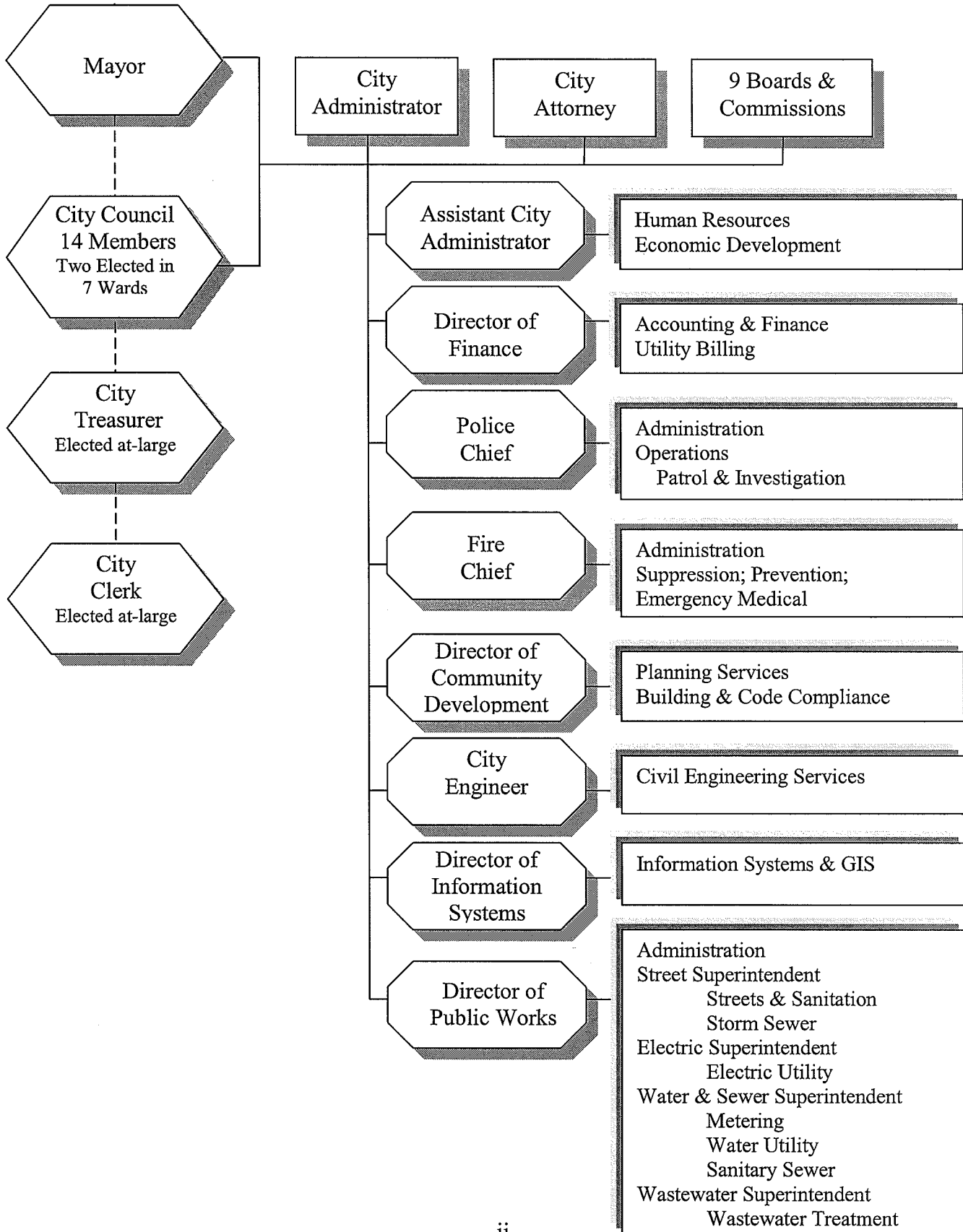
### **Police Chief**

Gary Schira

# City of Batavia

## Organizational Structure

**Citizens of Batavia**





# City of Batavia

## 2012 Budget Summary

<b>Total Budget</b>	<b>Operating</b>	<b>Capital</b>	<b>Debt</b>	<b>Interfund</b>
<b>\$105,332,002</b>	<b>\$70,013,460</b>	<b>\$17,187,509</b>	<b>\$5,605,353</b>	<b>\$12,525,680</b>

<b>Total by Fund</b>	<b>Operating</b>	<b>Capital</b>	<b>Debt</b>	<b>Interfund</b>
<b>General</b> \$30,047,863	\$25,972,204	\$ 1,622,975	\$ -	\$ 2,452,684
<b>Major Capital</b> \$ 1,129,769	\$ -	\$ 1,129,769	\$ -	\$ -
<b>Minor Capital</b> \$ 7,593,015	\$ -	\$ 7,593,015	\$ -	
<b>Debt Service</b> \$10,018,094	\$ -	\$ -	\$ 1,822,838	\$ 8,195,256
<b>Electric</b> \$47,152,575	\$39,321,035	\$5,410,000	\$ 1,702,806	\$ 718,734
<b>Water</b> \$ 4,840,898	\$ 2,389,071	\$ 936,750	\$ 940,574	\$ 574,503
<b>Wastewater</b> \$ 4,539,788	\$ 2,331,150	\$ 495,000	\$ 1,139,135	\$ 574,503
<b>Permanent</b> \$ 10,000	\$ -	\$ -	\$ -	\$ 10,000

# **City of Batavia Budget Process**

## **Budgetary Law and Internal Controls**

Budget Law governs the City of Batavia's budgetary operations as provided for in the Illinois Compiled Statutes. The budget is administered by the Director of Finance under the appointed title of Budget Officer. Budget Law does not require appropriations to be passed but rather an annual budget must be adopted prior to the year the funds will be expended. The City of Batavia's fiscal year begins January 1. Budgetary control is maintained on a line item basis. The City's financial software issues a report anytime a line item exceeds the budgeted amount. Under Budget Law, individual line items may exceed the budget. A review of the total department budget is done monthly by the accounting department and a request for revision/amendment is sent out if deemed necessary. Purchase orders do not roll over from one budget year to the next and must be re-issued and re-budgeted in the next year if they are not completed within the same budget year.

## **Budgetary Goals and Strategic Planning**

The City Council begins establishing budget goals early in the year often through strategic planning sessions. The City Administrator and Finance Director begin asking departments to review their current year budgets and plans for the next year in August. At that time, departments begin determining what projects will see completion and what if any projects will need to carry over into the next budget year. In addition, departments are asked to prepare requests for any new services or programs being planned for the coming year. While the City of Batavia does not do multi-year budgeting, long-range plans are discussed each budget year and are reviewed as part of the current budget goals and objectives. Long-range plans must be incorporated into the planning process to assure current year decisions are made prudently. Additionally, planned capital projects are included in the back of the budget for discussion and informational purposes.

## **Budget Preparation and Entry**

The City of Batavia Budget includes the two prior years of actual expenses, the current year budget and projected actual expenses along with the proposed budget. Beginning in August, the Finance Department rolls the budget year to allow data entry into the City's budget program. At this time, departments may begin entering current year projections and the proposed budget. Departments also begin compiling and reporting revenue projections to the Finance Director. Historical trends and projected economic and community growth are used in making revenue projections. Once all data entry is completed in early October, an initial report is prepared for the City Administrator to begin "balancing" the budget.

## **Needs Assessment/Finalizing the Budget**

In October the City Administrator and Finance Director meet with the individual department heads to review any major changes, discuss objectives and review capital requests and requests for additional staff. Budget cuts are always part of this process. While it is difficult to make cuts to any one department, the City Administrator must weigh the individual department needs against the needs of the City as a whole.

During this time the Finance Director projects what fund/unreserved cash balances will remain at the end of the current fiscal year. These levels will be used in determining the "bottom line". The City of Batavia seeks to maintain cash reserves to cover at least 60 days of operating expenses in the General Activities Fund and 90 days of operations for the Enterprise Funds.

## **City of Batavia Budget Process - Continued**

### **Inspection, Review and Adoption**

In late October a preliminary budget is prepared and distributed to the City Council, department heads, the press, and copy is available at City Hall for review by the public. The City must make the tentative budget conveniently available for public inspection at least ten days prior to passage.

After the budget has been distributed to the City Council, the City Administrator accepts written questions from the Council and responds to the entire City Council. This allows the City Council members to request more information and to clarify questions on budgeted items and to address any concerns they may have prior to the Committee Meeting.

A Government Services Committee meeting is held in early November to officially review the budget. A presentation is made and major budget items or changes from the prior year are addressed. In addition revenue trends are discussed and any increase in fees or rates that are part of the budget are presented for review and approval. If changes to the budget are requested, the changes are made and amended copies of the budget are distributed to the Council. More than one Committee meeting may be held if necessary.

The notice of the public hearing for the budget must be published in a newspaper having general circulation at least one week prior to the hearing. The public hearing is held at the second City Council meeting in November. After the public hearing is held, the budget may be further revised and passed without any further inspection, notice or hearing.

### **Amendments**

After the budget is passed a change may become necessary. The City Council has authorized line item transfers within funds to be done with approval from the City Administrator and Director of Finance. An annual report of line item transfers is sent to the City Council for review on an annual basis. Line item transfers may not be used to increase salaries to hire staff nor may they increase the overall budget. Any increases to the budget must be presented to the City Council as a resolution for approval and at no time is an increase to the budget approved unless funds are available for the increase.

Carryover from one budget year to the next is allowed for a budgeted item that will not be received or for contracts that will not be completed within the calendar year. This procedure allows for appropriate accounting. Departments are encouraged to order budgeted items sufficiently in advance to reduce the necessity for carryovers. The maximum carry over allowed is \$75,000 for contracts and \$25,000 for all other items. All carryovers must be completed by January 30<sup>th</sup> of the following year and reported to the City Council in February. Items that exceed the dollar limitations must be brought to the City Council as a resolution. Carryovers that are done as part of the budget process before the new budget is passed are not subject to the dollar limitation as this essentially means that the item is being re-budgeted.

## 2012 Budget Calendar

August 1, 2011	Finance Rolls Budget (sets up new funds/accounts/sets IMRF rate)
August 1, 2011	Finance Enters 2010 Actual Expenditures & Cash Balances
August 15, 2011	Departments Begin Budget Planning Process & Entry
September 16, 2011	Complete 2011 Budget Projection Data Entry
September 16, 2011	2011 Revenue Estimates to Finance - Engineering, Community Dev. & Utilities
September 16, 2011	2012 Revenue Estimates to Finance - Engineering, Community Dev. & Utilities
September 23, 2011	Closing for Data Entry - no Entry after this date
September 26, 2011	Submit Department Narrative Electronically
September 26, 2011	Submit Department CIP Workbook Electronically
September 26 -	
October 6, 2011	Meetings with Department Heads for Line Item Review & Budget Cuts (D.H. to bring backup for all budget requests to the meeting: i.e. vehicle replacement sheets, contractual & training detail)
October 7, 2011	Finance Provides Administration with Draft Budget
October 10 - 14, 2011	2nd Round Meetings with Department Heads for Final Modifications (adjustments to 2011 projections may be given to Finance up to this date)
October 14, 2011	Cut-off Date for Final Modifications/Amendment Requests to Admin/Finance
October 17 -	
November 1, 2011	Finalize Budget and Prepare for Distribution
November 2, 2011	Distribute to City Council & Staff & make available to the Public (must be made available at least 10 days prior to passage)
November 2, 2011	Comment Period Begins (until Passage)
November 4, 2011	Budget Public Hearing Notice Published (must be published one week or more prior to hearing)
November 10, 2011	Government Services Budget Meeting
November 21, 2011	2012 Budget Public Hearing*
November 23, 2011	2011 Tax Levy Public Hearing Notice Published (must be published not more than 14 days but not less than 7 days prior to hearing)
November 30, 2011	Additional Government Services Meeting for Budget (if needed - Great Room)
December 5, 2011	2011 Tax Levy Public Hearing*
December 5, 2011	City Council to Approve Final Budget (budget can be modified & adopted anytime after the public hearing without further review but must be approved before Jan 1.)
December 19, 2011	City Council to Approve 2011 Tax Levy for 2012 Collection
December 19, 2011	Alternate Approval Date for 2012 Budget
January 1, 2012	Budget Year Begins

\*The hearing on the Budget may not coincide with the hearing on the Levy

# City of Batavia

## Financial Overview

### 2012 Budget

Following is the City of Batavia's 2012 Budget. The process of preparing the budget begins with a review of current year revenues and expenditures to establish a proper benchmark for evaluating the budget for the coming year. Projections for 2011 in all of the main funds provide for better than budgeted results. The General, Electric and Wastewater Funds all had deficit spending plans originally budgeted and all three funds are now projected to end the year with a small surplus. The General Fund is expecting a surplus due to lower operational costs because of unplanned personnel vacancies and lower insurance costs. The Electric utility will realize a surplus due to reduced capital spending and the Wastewater utility will have a surplus due to slightly lower utility costs.

The City's primary role is that of a service organization. For the General Fund 70% of operating costs are related to personnel. The utilities require about 55% of their direct operating budgets to provide for personnel, not including purchased power costs or debt. Overall, the City's staff has been providing the same level of services in spite of significant staff reductions. Beginning with the 2009 budget layoffs and early retirements, 26.5 full-time equivalent positions have since been vacated and not replaced. The City has maintained the hiring freeze put in place in 2009 aside from replacing the vacated positions of Assistant City Administrator, building inspector, one police officer and two street maintenance workers. Some of these 26.5 vacancies will likely remain permanent while other positions may need replacement at a future date. This budget proposes to bring back some positions that have posed operational deficiencies within the respective departments. We will continue to analyze all vacancies for operational necessity before filling them. To create significant savings beyond that already provided would require a change to structural staffing levels of larger departments or elimination or outsourcing of services provided by an entire department coupled with elimination or reduction of those personnel.

The 2012 budget provides for both union and non-union pay increases. There is a growing pay equity concern arising from the compression between management and staff salaries due to prior union increases granted in 2010 and 2011 and offset by pay reductions for non-union personnel in those years. The 2012 budget proposes to address this concern by providing non-union staff with a 2% increase over the 2009 wage scale. For salaried employees, this increase makes the wages level with 2009 due to the prior elimination of the 2% merit based pay. In light of the wage adjustments, total salaries in the General Fund will still be \$350,000 less than 2009 spending due to early retirements and vacant positions. The Water Fund will be level with 2009, Wastewater will be \$75,000 less than 2009 and Electric will be \$228,000 more due to filling a position that was vacant in 2009 along with union increases and a proposed addition of a Senior Engineering Assistant.

The total budget for all funds is \$92.8 million net of interfund transfers. The total budget is \$20.6 million over projected spending for 2011. The increase is attributable to the \$6.8 million budgeted for the streetscape project in the TIF funds, \$9.6 million in additional capital and operating costs in the electric utility and \$1.3 million in General Fund Capital. The total budget can be broken down into three distinct sections: General Fund, TIF Funds and Enterprise Funds (Utilities).

The separate budgets for debt service and capital projects are funded through the general fund and are subsets of accounts required for accounting purposes. All monies for those activities flow from transfers from General Activities, Motor Fuel Taxes or from Property Tax levied for General Obligation Bonds. The City currently has two GO debt funds: City Hall Debt and Donovan Bridge Debt. Other funds receiving transfers from the General Activities Fund are for the Deerpath Bridge construction, Fire Apparatus, Public Works Vehicles and Equipment and 3 new capital project funds proposed for 2012, Safe Routes to School, City Hall Capital Improvements and Drainage Improvements. The Safe Routes programs are fully funded with grant funds. By separating out these costs, the total expenditures of the General Fund are more clearly presented. The other two capital funds will be funded initially via a transfer of reserves from the General Fund and then annually with a set amount similar to the Fire & Public Works Vehicle Funds. This will provide for a defined funding program for City Hall and for Drainage, both of which need monetary attention.

Payments from all funds through employee and or employer contributions provide the funding for the City's Self-Insurance Funds. These costs are budgeted as a line item expense within each department. The expense accounts are 6120 City Health Insurance and 6515 Workers Compensation Self-Ins. These transfers support all claims paid.

## **General Fund – General Activities**

For accounting purposes, the General Fund includes General Activities, Self-Insurance and Street/MFT Activities. Review of the General Fund budget should be done at the Activity level since the reserves from the self-insurance funds and MFT/Street should not be included when evaluating cash available for operations. The reserves of these activities are reviewed during the budget process to ensure that they are sufficient and that our insurance rates will support required expenditures. General Activities accounts for the day-to-day operations of the City. Services such as police and fire protection, engineering, community development and streets and sanitation, in contrast to utilities, are financed from taxes and fees.

The goal for 2012 continues to be to provide a spending plan that will position the City in a sustainable position for the future. For the last four years we have passed deficit budgets; however, both 2010 and the projected 2011 budget ended with a surplus due to spending cutbacks in all departments, unexpected vacancies and lower benefit and insurance costs due to those vacancies.

The Government Finance Association recommends that cities maintain a minimum operating reserve of 60 days. This amount is to be set aside and not used except in the event of a disaster to allow the city to continue operating during any downtime. Reserves are also there to provide for fluctuation in revenue collection and to provide a cushion through economic cycles. It is acceptable to utilize reserves during weak economic times as long as reserves are sufficient to provide for such downturns and are expected to be replenished or remain above minimum levels.

Reserves are also used for capital projects so that funding can be done on a pay as we go basis rather than financing smaller capital items. Standard accounting practices generally call for the set up of a separate capital fund if the dollar amount is large enough that financing is involved. Accounting standards require us to have as few funds as necessary to conduct business; however, it is acceptable to set up these types of “internal” capital project funds to earmark funding for specific capital needs.

As mentioned earlier, this budget proposes to make the distinction of setting aside funds for capital spending for both city hall improvements and drainage improvements. This will clearly define operating reserves from capital reserves. By segregating capital reserves from operating reserves, the number of operating days that the City has in its General Fund will be lower. When comparing the number of days to past years, that factor needs to be a consideration since we are now setting aside funds for a specific capital purpose as was the intention when capital and operating reserves were combined. By budgeting in this fashion, the City Council will more easily be able to define priorities and taxpayers will have a clearer understanding on plans for use of reserves.

With the current budget plan, reserves are projected to be at 116 days at the end of 2012 with the use of \$133,076 of reserves. It is important to note that the number of day’s operation is one tool to be used as a guide and should not be the only measure of financial solvency. The following chart reflects the change in revenues, expenditures and reserves.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Revenues	22,131,602	22,690,386	22,572,163	23,521,584
Expenditures	22,715,716	22,354,441	22,351,802	23,654,660
Deficit	(584,114)	335,945	220,361	(133,076)
Reserves	7,030,228	7,366,173	7,586,534	7,453,458
Days Operation	113	120	124	115

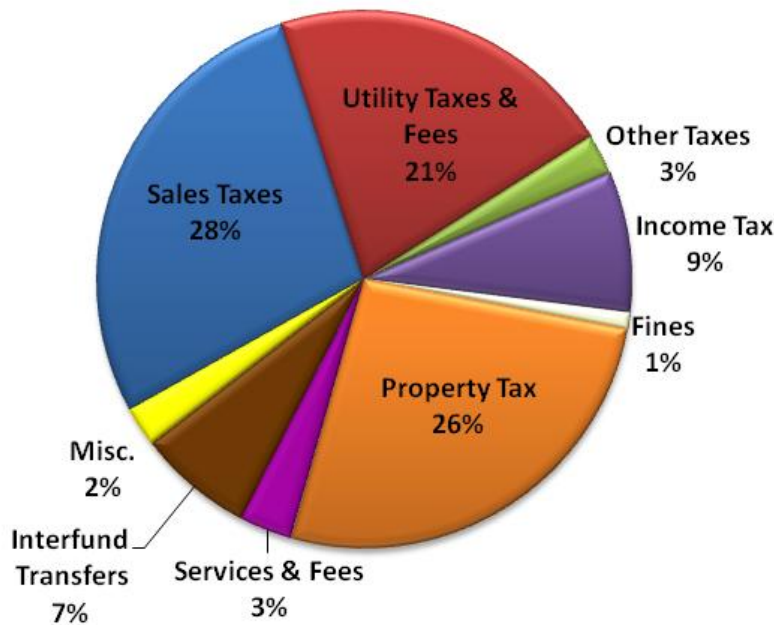
The average increase in revenues from 2009 to 2012 is 2.1% while the average increase in operating expenditures in that period was 1.4%. What is not reflected here is the total 2008 Expenditures that were \$24,183,427. Expenditures in 2012 are still significantly lower than 2008 and demonstrate the cuts made to spending.

## General Activities Revenues

General Activities Revenues are budgeted at \$23,521,584 for 2012, a 4.2% increase over 2011-projected revenue. A mix of different revenue sources comprises the most sustainable budget so that the City does not become reliant on any one source. Taxes and fees are essential to fund City services and they constitute the majority of revenues for daily operations. As a Government, it is essential that we are mindful of the impact of all taxes and fees for services. We must also consider the state of the economy and the burden of the taxes or fees we impose. It is the City's obligation to strike the balance of funding sufficient services at the lowest cost, while utilizing user fees whenever possible.

Following is a chart depicting the source of General Activities revenues. Sales tax remains the largest revenue source followed very closely by property tax. Portions of these revenues are dedicated for a specific purpose and cannot be used to fund general operations. The City has committed 15% of sales taxes to fund debt for the fire stations and debt for drainage improvements done after the 1996 flood. The property tax levy requires that 36% go to fund police, fire and IMRF pensions.

### General Activities Revenues



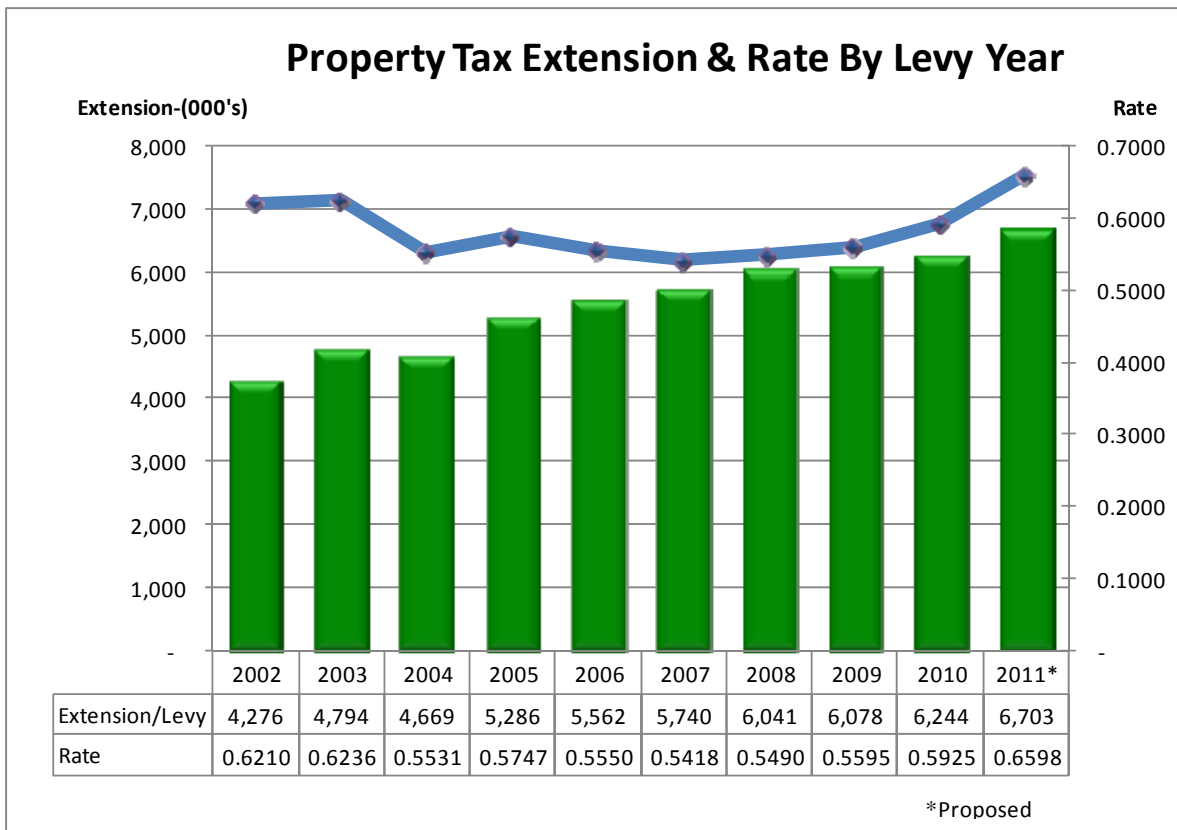
This budget includes two new use taxes that are included in Utility taxes and fees. The first tax is a one-cent per gallon gasoline tax. This tax is expected to add about \$80,000 to total revenues in 2012. The second use tax is a modification of our existing utility tax on natural gas. The City currently has a 4% utility tax that is applied to all customers



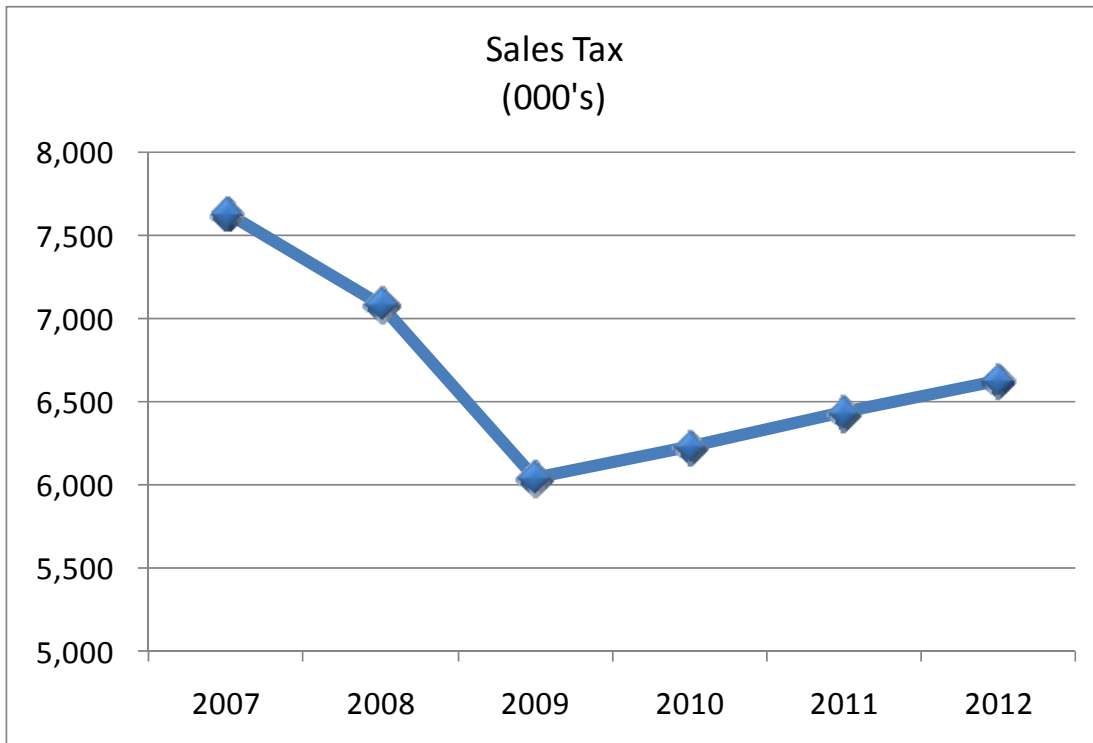
receiving their gas supply from NICOR. Those that use a third-party supplier do not pay the tax. This budget includes the recommendation that the utility tax be converted to a 3.5 cent per therm use tax that will be applied regardless of the supplier providing the natural gas. This change could actually reduce the taxes paid for current customers paying the utility tax since the tax will not be based on the price of natural gas, which is currently very low. When the price rises, the tax will remain the same. The addition to revenues for 2012 for those customers that have not been paying any tax is estimated to be about \$120,000.

The 2012 Budget does include a recommendation for a property tax increase to fill the gap between revenues and expenditures. It is estimated that the increase in the levy will add between 4 and 4.4 cents to a tax bill or about \$30 to a \$225,000 home value and \$45 for the owner of a \$325,000 home.

While increasing property taxes is nothing to take lightly, the City of Batavia’s municipal tax rate is one of the lowest in the area and provides a very good value for the services provided. Should the tax not be approved, this budget would have to provide for \$435,000 in some other source of revenue, make \$435,000 in expenditure cuts or use \$435,000 of reserves. The rate is expected to increase 2.5 cents, with no increase to the levy amount, because of an expected reduction in EAV. That increase though, should be offset by the reduction in EAV. The rate is a function of EAV and the amount of the levy. An increase to the rate does not directly correspond to an increase in payment. The chart depicts the amount collected over the years and the corresponding rate.



Sales tax, still accounts for the largest share of general revenues even in light of the steep declines we have experienced. Receipts for 2011 are projected to end the year 4% higher than 2010 receipts.



The economy most certainly was the largest factor in our declining sales tax revenues attributing to the City operating with a \$1 million or more gap in sales taxes annually from 2009 through 2012. There have been positive factors though, with tax receipts increasing consistently coupled with continued interest in our storefronts. The economic recovery is anticipated to be slow, so projections for 2012 are lower than the increase from 2010 to 2011. The 2012 budget provides for an increase of 2.5% above 2011. As Sales tax is subject to economic concerns, we need to be mindful of that and continue to look for other revenue sources that provide stable funding to support services as well.

Income tax receipts, which are a shared revenue source distributed by the State of Illinois, declined significantly in 2010. There was a slight increase in 2011 due to the state's amnesty program. The State has also delayed making certain income tax refunds, which are projected to be made in 2012, which will offset any increase from economic stimulus.

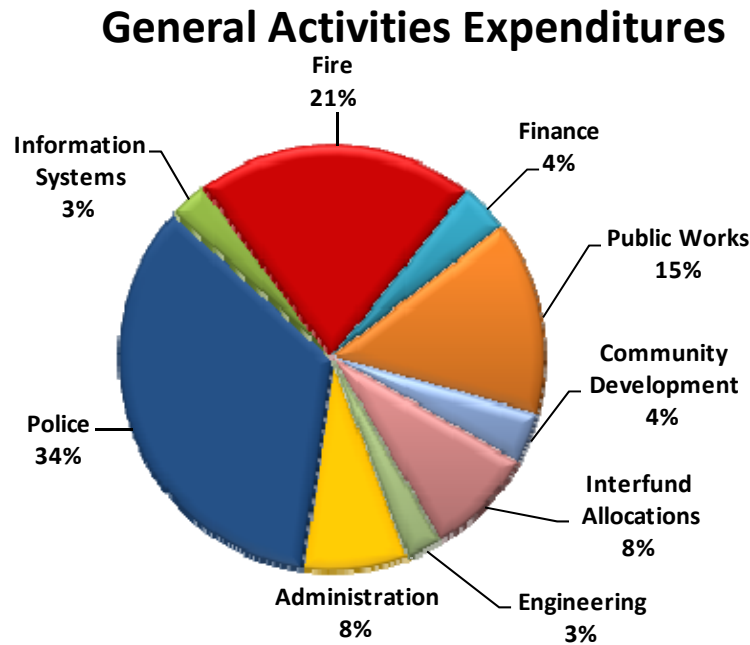
Utility taxes for 2011 decreased due to overall lower electric costs for our customers. Additionally, natural gas prices have remained low. The largest factor in decreased utility taxes is the loss of landlines as consumers move to only cellular service. The budget for 2012 is expected to be higher due to the two new revenues mentioned earlier.

Interest revenues were practically non-existent in 2011 as investment rates for short-term money was between .1% and .75%. Interest rates are projected to stay the same for 2012.

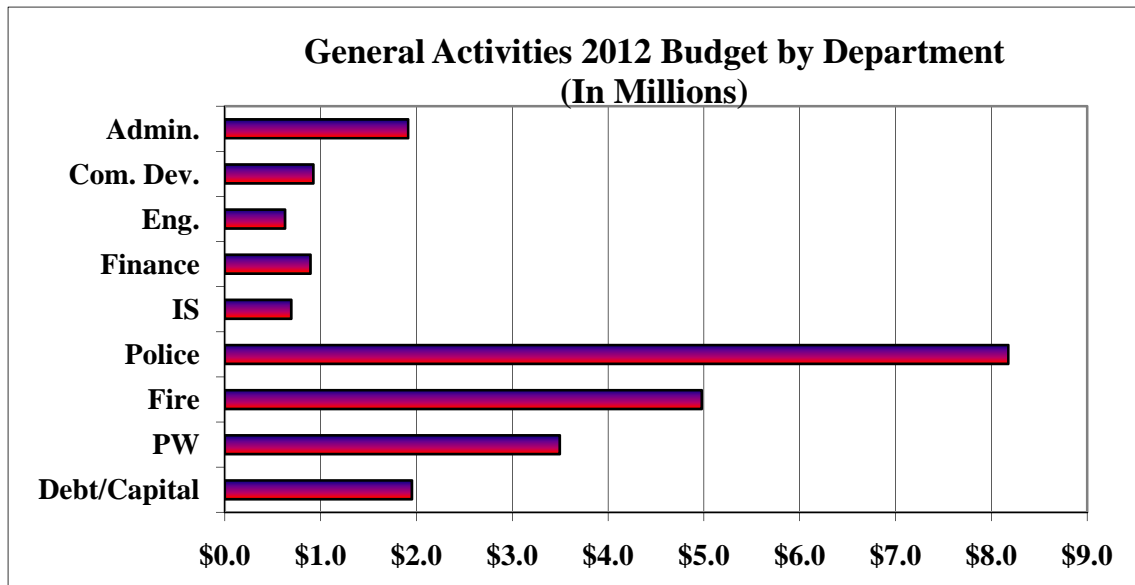
Interfund transfers from the utilities for services provided will experience an increase in 2012. Expenditures in General Activities have increased in Utility Billing with the request to bring back the Utility Billing Supervisor position. Since this cost is split by the utilities, the revenues for charges in General Activities will increase to offset that expense. Additionally, increased time from Administration and Finance has been required for the electric utility to provide support as we analyze the Prairie State project coming on-line.

### General Activities Expenditures

Expenditures in General Activities are budgeted at \$23,654,660. This represents a 5.8% increase over 2011 projected expenditures. The increase is attributable to an increase in the cost for Tri-City Ambulance, dedicated funds for removal of ash trees, union and non-union increases and reinstatement and or increase of some positions.



This previous chart displays the allocation percentage by department and the following chart provides the amount budgeted by department.



As shown, our public safety departments comprise the largest share of General Activities expenditures. The police department is staffed with 39 sworn officers and the fire department currently has 22 members. This budget calls for reinstatement of a police officer to serve as a dedicated traffic officer and reinstatement of the Deputy Fire Chief.

The police department utilized a patrol officer as a dedicated traffic officer with much success in truck enforcement prior to 2011 when that officer retired. Since that time, there has not been a patrol officer dedicated to traffic issues. The Police Chief has requested an additional Officer to focus solely on traffic concerns, such as overweight trucks, speeding, traffic sign enforcement as well as traffic-pedestrian crosswalk issues.

The Fire Chief has requested that the position of Deputy Chief be re-instated. That position has been vacant since the current Chief was promoted in 2009. The Chief has indicated that the command staff of the fire department is at an unsustainable point that jeopardizes the incident command structure, accountability and safety; fire prevention reviews, inspections and enforcement, and the administrative leadership. With the retirement of the Fire Marshall, all of the administrative duties of the Deputy Chief and Fire Marshall have fallen to the Chief and Battalion Chiefs, which has put an undue burden on the department. The budget provides for the return of the Deputy Chief position in the first quarter of 2012.

This budget also includes the reinstatement of the Utility Billing Supervisor. The billing department has gone from a staff of 4.75 to 2 since 2009. Although the printing and mailing of utility bills has been outsourced, that only provided minor timesavings of stuffing and delivering the bills to the post office. All other duties remained and have been handled by the two remaining staff and supported by members of the accounting department. The Finance Director and Assistant Finance Director have assumed the functions of the billing supervisor. This has placed significant time constraints on both and it is not sustainable. A supervisor within the department on a daily basis will provide phone and customer service support in addition to providing immediate decision making

during shut-offs and in dealing with billing issues. The supervisor will ensure that rate changes are implemented and billed correctly, handle all aspects of account collection, including delinquent accounts, deal with bankruptcy matters and website administration.

The Engineering department has requested that the Staff Engineer position that had been full time and was lowered to part time be reinstated back to full time due to the heavy workload. This budget includes adding half of that request and adding 520 hours for that position to allow for time to devote to the sewer separation project, specifically on Main Street. Also requested was an addition to the budget for the Engineering Technician to go from part time to full time. The same number of hours that were added for the staff engineer was added here, adding 520 hours to allow for CAD work related to Main Street to be completed in a timely manner. This is the only position request in the budget that is an actual expansion of staff as this position has always been a part time position. All other positions are a return of prior staff.

In addition to the Traffic Officer, the Police Department budget includes the replacement of three fleet vehicles. With the elimination of the Crown Vic, the type of vehicle has not yet been determined. Also budgeted in police is a portable speed sign that can be mounted to a street pole. In addition to posting speeds, it has alpha capabilities for notices. A new expense in police includes the possible charge by the Sherriff's Department for the housing of prisoners. The amount budgeted is based on past history of prisoners and the estimated fee. In addition, the Tri-Com budget increased by \$18,000 for 2012. The Board of Police and Fire Commission budget is projected to be higher in 2012 due to the carryover of fire promotional testing.

In addition to the Deputy Chief, the Fire Department budget also includes an increase of \$115,000 for the contractual expense of Tri-City Ambulance. This inter-governmental agency provides ambulance service to the Tri-City area. Costs are increasing due to the largest fire district in the group withdrawing. The Board will continue to evaluate the best method to provide this valuable service to our residents, including a recommendation by the City of Batavia to review rates in 2012. An increase in rates would provide some relief to the direct cost to the members of the group.

This budget has pulled the Economic Development budget out of Administration and created its own department to show the costs associated with those efforts more clearly. There have been no changes to spending associated with this change.

The Street Department budget includes additional funding to address the issue of the emerald ash borer and the effect of dying trees within the community. The 2012 budget includes \$100,000 as year two of an anticipated 5-year time span to complete the task. The street budget also includes \$26,000 for maintenance of the Braeburn Marsh as the capital project has now shifted from Engineering since the completion of the initial project in 2010 at a cost of \$475,000. This project underscores the need for a separate capital fund for drainage also established this year. Maintenance though, will continue to be paid directly from the General Activities Fund.

The Street Department has had significant staff reductions that may require one or more positions be returned in future years budgets. With the implementation of the brush program being contracted out in 2006, a Maintenance Worker position was not filled. Since the hiring freeze, three additional Maintenance Workers and one Crew leader position remain vacant. The new streetscapes that are being planned could affect the amount of maintenance required and could require additional staff in addition to keeping up with the existing workload.

Other structural changes include the creation of separate capital funds for City Hall Improvements, Drainage Improvements and Safe Routes to School.

The budget for the Safe Routes to School Programs that had been budgeted in General Activities has been moved to a separate capital fund as those programs are funded 100% through grant activity and they artificially increase both revenues and expenditures in General Activities. Should funding not come through at 100%, it will also provide a clearer presentation of that cost by being in a separate capital fund.

Transfers to the Fire and Public Works Equipment replacement funds were reduced in 2010 and 2011 but short-term delays in replacements of vehicles only provided temporary relief. Funding has been restored to the necessary level. Staff continues to review the structure and size of the City Fleet. Additionally, with the set up of the City Hall Improvements and Drainage Improvements funds, operating transfers to fund those programs begin in 2012 with initial funding established at \$75,000 for each program. This method of funding will ensure the necessary funds are set aside thus smoothing the budget and reducing the need for financing smaller projects.

## **Motor Fuel Tax Fund**

The City's street program is funded from Motor Fuel Taxes received from the State of Illinois and from a \$500,000 transfer from General Activities each year. Occasionally, the fund is also supplemented by grant funds. The last two years, the City received \$100,000 each year from the Jobs First program. It is not anticipated that these funds will continue, therefore revenues are lower in 2012.

The 2011 budget included the analysis of all City Streets by an outside consultant that will provide electronic data in a software program. This data will assist the Engineers with prioritizing street reconstruction and replacement to optimize our street maintenance funds by repaving streets before they reach the level of reconstruction. The data from this survey will prove very useful in the years ahead as the department plans the street program in conjunction with the streetscape project in the downtown. New and replacement sidewalks, along with curb and gutter, street patching and crack sealing are also paid from this budget. These programs are coordinated between the engineering department and streets and sanitation.

## **Capital Project Funds**

Capital Project Funds receive funding through direct transfers from General Activities, Property Taxes, via TIF (Tax Increment Finance) Districts, Grant Funds or Bond Proceeds. This budget includes four Capital Funds that are funded from General Activities as operating transfers to provide for the long-term benefit and replacement of equipment or capital building needs for General Activities Departments. The process of funding incrementally each year, levels the burden over several years, rather than funding all at once through reserves or borrowing and incurring interest expense. This process also ensures that the City is planning adequately for future costs. This budget also includes a capital fund that is funded via a transfer from the General Activities for a non-recurring capital project, the replacement of the Deerpath Bridge. Grant funds will provide for the majority of this capital project.

The two remaining Capital Project Funds are for the City's two active TIF Districts. TIF funds are generated through the difference in a set base value of property when the TIF is established and the increase in value through development. A TIF is established to revive an area of a community. The taxes that fund the district come from that change in value. The amount that is returned to the City is the taxes from all taxing bodies. TIF Districts do not increase taxes for the taxpayer; they only change how the taxes are distributed. Municipalities are to use those taxes within the TIF area for the benefit of the community.

Cities use TIF to finance public infrastructure, land acquisition, demolition, utilities, and other improvements including sewer repair, curb and sidewalk work, storm drainage, traffic control, street construction, street lighting, water supply, landscaping, street furniture, environmental remediation, bridge work, parking structures, public art, and to fund economic development. All of these uses are acceptable uses of TIF dollars and it is up to the City Council to determine the most appropriate use of this limited funding. Any use of TIF monies should consider the impact on the operating budgets of the City after the TIF expires to ensure that TIF improvements will be properly maintained.

The 2012 budget for TIF includes projects for new Streetscapes. The projects include street resurfacing and reconstruction as well as multiple amenities that have yet to be determined. The budget has been designated, but given that the scope of the project is so large, staff is currently reviewing the entire project.

Further information will be provided to the City Council to ensure that the values and priorities of the TIF will be fulfilled with the current direction of the planned projects, and most significantly, that the ultimate cost of all desired projects does not exceed funding parameters. All departments of the City are an integral part of the streetscape plan and much research and work is required as we move through this very important project. Ultimately, Batavia will benefit from the completion of these exciting projects for our community.

## **Enterprise Funds – Business Type Activities**

The Enterprise Funds of the City are the Electric, Water, and Wastewater Funds. These funds are considered self-supporting through user fees. The City strives to ensure that it provides safe, reliable utility services at fair and reasonable rates.

### **Electric Utility**

The Electric Utility currently provides power through take or pay contracts. It is anticipated that we will always have a portion of our power portfolio supplied in this form. Beginning in 2012, the utility will receive power through ownership in the Prairie State coal mine project via NIMPA, an intergovernmental group of three cities. Power costs are expected to be higher in 2012 due to higher costs of the Prairie State Project.

The current rate structure provides that the difference between the city's base power costs and true power costs be collected monthly through a purchased power adjustment factor (PPAF) applied to bills. The Council enacted a rate stabilization fund to help stabilize the PPAF whenever possible. The passage of this budget will provide authorization from the City Council to use funds from the rate stabilization fund up to the maximum of \$2 million in 2012.

An increase to the base rate in addition to a 10% rate increase is part of this budget. The last rate increase was passed in 2008. Although power costs are anticipated to rise in the short term, it is expected that costs will level out with the market and the long-term option of owning generation will benefit our customers. In addition to power supply, staff continues to work on providing a reliable utility. An upgrade to the Cherry Park sub-station is scheduled to begin in 2012 and be completed in 2013. Fiber optic upgrades are planned along with transformer and wire replacements. In addition, it is anticipated that a new market power customer added in late 2010 will expand their facility in 2012.

### **Water Utility**

The Water Utility will have a rate increase of 3% that was approved earlier in 2011 to offset future capital needs of the utility. The last water rate increase was effective January 1, 2006. Plans for the Water Utility for 2012 include year one of three for the implementation of an automated meter reading system. The current water meter technology used by the City is being phased out and a new technology will need to be determined and implemented. The amount included in the budget is a projection based on other communities experience in conjunction with the number of meters in Batavia. This project cost is being shared by the wastewater utility since sewer billings are based on water meter readings. The capital budget also includes water main replacement on River and Houston Streets in conjunction with the Streetscape program. Should the streetscape plan change in any way, the water mains will be delayed to coincide with the street resurfacing or reconstruction.



## Wastewater Utility

The Wastewater Utility has been under pressure for some time receiving lower revenues because of the summer sewer-averaging program, separate metering being installed by some of our industrial customers and reduced overall consumption. An 8% rate increase was approved earlier in 2011 to begin January 1, 2012 to begin to offset past deficits and fund future capital needs. The last sewer rate increase was in 2008. Plans for Capital improvements in 2012 include funding for year one of three for implementation of automated meter reading, digester heating loop replacement and professional fees to study the needs of the treatment plant and implications of future EPA requirements.

## Debt Management

Whenever possible or practical, the City has financed capital expenditures on a pay-as-we-go basis. There are times, however, when it is more prudent to issue debt and spread the cost of the asset over its useful life. This philosophy attempts to assess a portion of the cost to all who will benefit from use of the asset.

Fortunately, the City has been careful when issuing debt and has a lower debt burden than many other communities. The City will have \$10,680,000 in outstanding principal debt at the start of the 2012 budget year. Two of the City's outstanding debt issues are backed by sales tax and two are supported through property taxes. A little over \$300,000 will roll off property tax bills after 2014. There are no plans to issue debt in 2012 for the General Fund. Debt issuance is planned in the City's two TIF funds to provide funding for the streetscape program. Repayment of the debt will come from future increment from the TIF districts. Projections are budgeted in those funds but repayments are not included below as they have a separate repayment source and it is not considered general obligation debt.

Outstanding General Obligation Debt (Principal & Interest)

	Fire Stations	Flood Bonds	Bridge	City Hall	Total P & I
Funding	Sales Tax	Sales Tax	Property Tax	Property Tax	by Year
2012	741,394	228,200	170,813	313,250	1,453,657
2013	744,182	231,750	167,250	314,700	1,457,882
2014	746,119		167,500	320,850	1,234,469
2015	747,207		167,500		914,707
2016	752,444		167,250		919,694
2017	751,619		161,750		913,369
2018	754,944		161,250		916,194
2019	757,206		160,500		917,706
2020	763,406		159,500		922,906
2021-2025	3,848,856		637,250		4,486,106

All three utilities have outstanding debt that was issued to fund capital improvements of the respective utilities. The electric utility issued \$26,970,000 in revenue bonds in 2006 to fund the construction of two 138 kV substations and transmission lines. The principal balance for Electric Fund debt as of 1/1/12 will be \$25,670,000. All debt associated with the Prairie State Mine Project was issued through the inter-governmental Agency, NIMPA. Repayment of the debt is done through purchased power contracts between the City of Batavia and NIMPA. Ultimately, it is the obligation of the City of Batavia to repay the debt, but the debt does not appear as a long-term debt obligation in the City's Financial Statements or in supplemental debt disclosure.

The debt in both the water and sewer utilities is through the IEPA. Though the water fund projects have been completed for several years, the State of Illinois has yet to finalize the loans and to provide the City with final debt service schedules for the projects. The Water Fund will have \$10,811,922 in outstanding principal on 1/1/12. The Wastewater Fund will start the year with \$6,464,119 in outstanding principal debt. The Utility incurred an additional \$920,000 in debt in 2011 to fund reconstruction of the Carriage Crest Lift Station. It is anticipated that the project will end under budget. Remaining bond funds will be used for replacement of the digester-heating loop in 2012.

Enterprise Fund Debt Requirements (Principal and Interest)

	Electric	Water*	Wastewater
2012	1,702,406	942,390	1,135,938
2013	1,703,206	942,390	887,525
2014	1,703,006	942,390	888,201
2015	1,701,806	942,390	889,035
2016	1,704,606	942,390	890,057
2017	1,701,206	942,390	891,280
2018	1,701,806	942,390	892,687
2019	1,701,206	942,390	894,279
2020	1,704,406	942,390	851,730
2021 -2036	27,256,338	4,349,898	

\*Not finalized with IEPA

## Budgeting and Accounting Relationship

The budget is done on a basis consistent with generally accepted accounting principles (GAAP) except for some items, which are adjusted on the City's accounting system at year-end. During the year, the adopted budget is maintained and monitored on the City's accounting system. The difference between this budget and GAAP for Governmental Funds is that the self-insurance contributions are recognized as expenditures for budgetary purposes only. Enterprise Fund differences are: a) debt principal and capital outlay are recorded as expenses for budgetary purposes as opposed to the GAAP adjustment of the balance sheet accounts; b) depreciation is recorded as an expense (GAAP) and not recognized for budgetary purposes.

## **Budget Policies & Priorities**

The budget is the method by which departments provide services, however not all requests can be funded. During the budget process, priorities are used to determine where cuts should be made.

*Level 1:*        **Emergency** – An expenditure that is required because without the expenditure, there would be eminent danger to an employee or resident.

*Level 2:*        **Legal Requirement** – An expenditure that is required as the result of some legislative or court action, which if ignored, would result in legal action.

*Level 3:*        **Maintain Present Service Levels** – An expenditure that is necessary to continue to provide the same services at the same level of quality as in the past.

*Level 4:*        **Expanded Service** – An expenditure that will expand the current level of services offered or will expand the quality of existing services.

## **Surplus and Reserves**

The Surplus/Deficit reported in the budget refers to the difference between Revenues and Expenditures for that particular budget year. The Surplus and Reserves refers to available cash on hand. The Surplus and Reserves does not refer to fund balance or net assets. As mentioned earlier, the budget is prepared on a basis consistent with GAAP except for certain accruals and accounting entries for debt and fixed assets. Review of fund balance and net assets can provide useful information and should be reviewed as part of the City's Audited Annual Financial Report.

For budget purposes, it is most appropriate to review, the available cash on hand, which represents the current amount available for continuing operations. A standard measure is to maintain a balance sufficient to remain in operation for 60 days for General Activities and 90 days for Enterprise Funds (utilities). The City will meet these reserve policies for all funds in 2012 except for electric.

### **Surplus and Reserves - General Fund – General Activities**

The projected reserves for the end of 2012 are projected to be 116 days. The reserves now clearly delineate between operating reserves and capital reserves through the transfer of \$1.5 million of General Activities reserves to two capital replacement funds for City Hall Improvements and Drainage Improvements. The 2012 budget makes a slight dip into reserves for operating expenditures. Although this budget provides additional revenues, since we are a service organization and significant cuts have already been made to staffing, it is anticipated that costs will continue to rise to fund services. Therefore, this budget recommends the continued consideration of new and alternative revenue sources to support city services in conjunction with an ongoing review of current revenues and expenditures.

### **Surplus and Reserves - Electric Fund**

Reserves in the Electric Fund are expected to drop to 84 days with a projected balance of \$9.6 million. The reserves will be lower due to a planned use of the rate stabilization fund to offset some of the expected cost increases related to purchased power. The expected reserves will be sufficient to meet our bond requirements. In addition, the projected net income will meet our revenue bond coverage requirement of 1.25.

### **Surplus and Reserves -Water Fund**

The reserves for the Water Fund are projected to be at 245 days at the end of 2012. While this number is good, there are several water main replacement projects on the horizon and we will need to evaluate carefully how to spend down the reserves. Evaluation and prioritization of future water projects has been underway to ensure that adequate reserves will be available to fund the projects or so that a financing plan can be put in place if necessary. The focus will be on replacement of aging water mains. City staff has made a concerted effort to coordinate capital planning across departments to time utility improvements with road improvements when appropriate.

### **Surplus and Reserves - Wastewater Fund**

The reserves for the Wastewater Fund are projected to be at 165 days at the end of 2012. This is due in part to the utility receiving funding through Kane County by borrowing Recovery Zone Bonds to fund the Carriage Crest Lift Station reconstruction. Reserves would be at 92 days without borrowing the funds. The reserves are in a better position due to the change in the Summer Sewer Averaging program implemented in 2009 and the projected increase to revenues from the rate increase approved earlier in the year. The utility is now meeting its operating expenses and should start to accumulate funding for future capital needs.

### **Conclusion**

The 2012 budget, although not balanced, is headed toward sustainability. This budget does include a recommended property tax increase, a one-cent per gallon gasoline tax and a modification to our utility tax on natural gas from a utility tax to a 3.5 cent per therm use tax. The City has not proposed a property tax increase since the levy for the bridge was added to the tax rolls in 2005. The City has very low debt that is supported by property tax and overall levies very little for services. The City's portion of the tax bill is about 8% and the tax rate is one of the lowest in the area. Although, taxpayers Staff is recommending an increase to the levy to provide the needed funding and the approval of the other taxes.

It appears that the City is seeing some financial recovery in the form of increased sales tax revenues. We are hopeful that further expansion of existing stores in conjunction with the opening of new stores will boost sales tax even more. We continue to

implement efficiencies that allow us to operate at lower costs. While we have had to face the reality that some positions need to be returned, we continue to evaluate structure and processes. Both the City Council and staff must be open to changes in the way that we provide service to our customers and our customers must be aware that the staff available to assist them or to provide a service may take just a little longer in doing so. We still expect to provide the most timely police and fire response in addition to providing safe streets for our motorists and pedestrians.

Staff will continue to work towards long-term sustainability one year at a time by ensuring there is a system of revenues that will support the services that the City Council deems appropriate for funding through the budget.

While the budget has always provided the means to accomplish the objectives of the City Council, the 2013 budget will outline those objectives more clearly, as the City Council works to implement a five-year strategic plan in 2012. Additionally, 2012 will be an exciting year as we begin to see the work of the streetscape plan come to life using Tax Increment Finance dollars. Optimally, the streetscape projects will provide a safe means to gather and enjoy the beauty of downtown Batavia and its neighborhoods energizing the community and the business environment throughout the City.

This budget, as always, was the result of countless hours of review and meetings with the City Administrator and Staff. Recognition should be given to all of the Department Heads and their Staff. I would also like to thank the Staff of the Finance Department for their assistance in compiling this budget.

Sincerely,  
*Peggy Colby*,  
Finance Director

# City of Batavia 2012 Annual Budget

## Total 2012 Budget - All Funds and Activities

Description	Actual 2009	Actual 2010	Approved Budget 2011	Estimated 2011	Proposed Budget 2012
<b>Surplus and Reserves</b>	<b>\$28,032,633</b>	<b>\$29,019,527</b>		<b>\$33,786,852</b>	<b>\$35,596,093</b>
01 Intergovernmental	\$3,658,692	\$3,832,473	\$5,375,310	\$3,867,644	\$4,380,384
01 Municipal Taxes/Fees	\$4,621,881	\$4,800,608	\$4,785,000	\$4,663,036	\$4,975,169
01 Property Taxes	\$7,116,278	\$7,221,620	\$7,315,719	\$7,343,434	\$7,797,780
01 Sales Taxes	\$6,035,687	\$6,223,857	\$6,266,201	\$6,435,058	\$6,600,384
01 Utility Operating Revenues	\$44,480,823	\$46,825,485	\$43,298,348	\$44,735,900	\$50,358,939
02 Contributions	\$4,369,153	\$4,279,922	\$4,447,466	\$4,258,561	\$4,059,231
02 Utility Nonoperating Revenues	\$474,527	\$2,322,802	\$397,085	\$365,774	\$2,456,266
04 Fees & Services	\$547,702	\$1,014,483	\$772,720	\$742,850	\$761,500
05 Fines and Forfeitures	\$226,208	\$252,426	\$290,640	\$209,285	\$233,600
06 Other Revenues	\$1,274,882	\$1,324,611	\$937,175	\$587,906	\$568,452
07 Interfund Allocations	\$4,716,534	\$4,360,668	\$11,309,057	\$4,505,496	\$12,525,680
08 Revenue Bond Proceeds	\$0	\$0	\$8,420,000	\$778,000	\$7,600,000
<b>Total Revenue</b>	<b>\$77,522,367</b>	<b>\$82,458,955</b>	<b>\$93,614,721</b>	<b>\$78,492,944</b>	<b>102,317,385</b>
TIF District Projects	\$411,443	\$347,659	\$9,872,600	\$1,085,601	\$6,885,515
Administration & Legislative	\$1,216,075	\$1,151,950	\$1,153,752	\$1,211,581	\$1,171,428
Human Resources	\$273,767	\$276,823	\$304,149	\$270,981	\$246,644
Community Development	\$1,001,215	\$859,496	\$900,557	\$863,130	\$924,474
Public Works Administration	\$354,833	\$184,954	\$195,933	\$198,693	\$213,348
Engineering	\$629,217	\$923,868	\$800,096	\$540,501	\$628,823
Building and Grounds	\$336,863	\$364,280	\$454,241	\$447,497	\$412,270
Finance and Accounting	\$516,558	\$506,779	\$554,889	\$561,191	\$583,041
Information Systems	\$772,751	\$546,546	\$607,040	\$580,950	\$693,979
Utility Billing	\$346,740	\$260,109	\$235,301	\$226,588	\$311,056
Worker's Compensation Plan	\$344,236	\$497,357	\$776,320	\$576,500	\$612,500
Economic Development	\$67,814	\$67,366	\$76,468	\$74,393	\$82,927
Police Admin & Operations	\$7,560,161	\$7,788,816	\$8,013,927	\$7,851,999	\$8,175,450
Fire Services	\$4,525,280	\$4,615,505	\$4,813,407	\$4,732,090	\$4,958,701
E.S.D.A.	\$27,450	\$18,793	\$25,561	\$17,969	* \$18,090
Drainage Capital Projects	\$0	\$0	\$0	\$0	\$170,000
Public Works Capital Acquisition	\$0	\$0	\$180,000	\$0	\$370,000
Fire Capital Acquisition	\$0	\$0	\$273,000	\$0	\$337,500
Health Benefit Plan	\$3,539,420	\$3,939,079	\$4,013,002	\$3,270,999	\$3,657,728
Safe Routes Program	\$0	\$0	\$0	\$0	\$386,322
Deerpath Bridge Construction	\$8,144	\$55,813	\$172,405	\$42,398	\$165,448

# City of Batavia 2012 Annual Budget

## Total 2012 Budget - All Funds and Activities

Description	Actual 2009	Actual 2010	Approved Budget 2011	Estimated 2011	Proposed Budget 2012
<b>Surplus and Reserves</b>	<b>\$28,032,633</b>	<b>\$29,019,527</b>		<b>\$33,786,852</b>	<b>\$35,596,093</b>
Streets and Sanitation	\$3,251,274	\$3,000,638	\$3,239,269	\$3,092,365	\$3,281,745
Street Improvements	\$822,108	\$613,567	\$1,263,845	\$1,263,845	\$1,622,975
City Hall Capital Improvements	\$0	\$0	\$0	\$0	\$258,000
Donovan Bridge Project	\$0	\$0	\$0	\$0	\$149,999
Electric Improvements	\$1,059,214	\$3,848,954	\$2,295,000	\$2,001,000	\$5,410,000
Meter Reading/Locating	\$485,280	\$386,958	\$417,181	\$416,106	\$426,854
Transmission & Distribution	\$34,422,712	\$33,646,353	\$31,612,563	\$32,694,158	\$38,894,181
Water Improvements	\$0	\$0	\$115,000	\$114,400	\$936,750
Water Production	\$805,870	\$695,967	\$945,850	\$841,850	\$1,062,500
Water Distribution	\$1,284,021	\$1,245,684	\$1,306,022	\$1,302,824	\$1,326,571
Wastewater Improvements	\$27,000	\$0	\$1,010,000	\$778,000	\$495,000
Waste Water Treatment	\$1,699,257	\$1,529,990	\$1,721,154	\$1,666,735	\$1,779,040
Sanitary Sewer	\$208,027	\$198,553	\$253,327	\$245,793	\$552,110
Interfund Allocations	\$4,716,534	\$4,360,668	\$11,313,895	\$4,510,334	\$12,525,680
Revenue Bond Payments	\$4,085,314	\$4,073,472	\$4,451,365	\$3,751,287	\$4,155,259
General Obligation Debt Service	\$1,736,895	\$1,685,633	\$1,453,569	\$1,451,945	\$1,450,094
<b>Total Expense</b>	<b>\$76,535,473</b>	<b>\$77,691,630</b>	<b>\$94,820,688</b>	<b>\$76,683,703</b>	<b>105,332,002</b>
<b>Surplus/(Deficit)</b>	<b>\$986,894</b>	<b>\$4,767,325</b>	<b>( \$1,205,967)</b>	<b>\$1,809,241</b>	<b>( \$3,014,617)</b>
<b>Surplus and Reserves</b>	<b>\$29,019,527</b>	<b>\$33,786,852</b>		<b>\$35,596,093</b>	<b>\$32,581,476</b>