



CITY OF LIGHTS

2019

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

for the fiscal year ended
December 31, 2019

CITY OF AURORA, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2019

Prepared by Finance Department

Martin S. Lyons
Chief Financial Officer/City Treasurer

Linda B. Read, MBA, CPA
Assistant Director of Finance

Krista L. Heinke
Accounting Supervisor

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS

| | <u>Page(s)</u> |
|--|----------------|
| INTRODUCTORY SECTION | |
| Principal Officials | i |
| Organizational Chart..... | ii |
| Certificate of Achievement for Excellence in Financial Reporting..... | iii |
| Letter of Transmittal | iv-xi |
| FINANCIAL SECTION | |
| INDEPENDENT AUDITOR’S REPORT | 1-3 |
| GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS | |
| Management’s Discussion and Analysis..... | MD&A 1-16 |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement of Net Position..... | 4-5 |
| Statement of Activities | 6-7 |
| Fund Financial Statements | |
| Governmental Funds | |
| Balance Sheet | 8-9 |
| Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position | 10 |
| Statement of Revenues, Expenditures and Changes in Fund Balances | 11 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities..... | 12 |

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

| | |
|---|-------|
| Statement of Net Position..... | 13-14 |
| Statement of Revenues, Expenses and Changes in Fund Net Position | 15 |
| Statement of Cash Flows | 16-17 |

Fiduciary Funds

| | |
|--|----|
| Statement of Fiduciary Net Position | 18 |
| Statement of Changes in Fiduciary Net Position | 19 |

| | |
|-------------------------------------|-------|
| Notes to Financial Statements | 20-91 |
|-------------------------------------|-------|

Required Supplementary Information

| | |
|--|-----|
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund | 92 |
| Schedule of Employer Contributions | |
| Illinois Municipal Retirement Fund | 93 |
| Police Pension Fund | 94 |
| Firefighters' Pension Fund | 95 |
| Retiree Health Insurance Trust Fund..... | 96 |
| Schedule of Changes in the Employer's Net Pension Liability and Related Ratios | |
| Illinois Municipal Retirement Fund | 97 |
| Police Pension Fund | 98 |
| Firefighters' Pension Fund | 99 |
| Schedule of Changes in the Employer's Net OPEB Liability and Related Ratios | |
| Retiree Health Insurance Trust Fund..... | 100 |

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information (Continued)

| | |
|---|-----|
| Schedule of Investment Returns | |
| Police Pension Fund | 101 |
| Firefighters' Pension Fund | 102 |
| Retiree Health Insurance Trust Fund..... | 103 |
| Notes to Required Supplementary Information | 104 |

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

| | |
|---|-----|
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund | 105 |
|---|-----|

NONMAJOR GOVERNMENTAL FUNDS

| | |
|---|---------|
| Combining Balance Sheet | 106-107 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 108 |

Nonmajor Special Revenue Funds

| | |
|---|---------|
| Combining Balance Sheet | 109-112 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances..... | 113-116 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | |
| Motor Fuel Tax Fund..... | 117 |
| SHAPE Fund | 118 |
| Sanitation Fund..... | 119 |
| Wireless 911 Surcharge Fund..... | 120 |
| Municipal Motor Fuel Tax Fund | 122 |
| Block Grant Fund | 122 |
| Section 108 Loan Fund..... | 123 |
| Foreign Fire Insurance Tax Fund | 124 |

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Nonmajor Special Revenue Funds (Continued)

**Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual (Continued)**

| | |
|---|-----|
| Federal Asset Forfeiture Fund | 125 |
| State Asset Forfeitures Fund..... | 126 |
| Tax Increment Financing District #1 (Downtown) Fund | 127 |
| Tax Increment Financing District #3 (River City) Fund | 128 |
| Tax Increment Financing District #4 (Bell Gale) Fund..... | 129 |
| Tax Increment Financing District #5 (West River Area) Fund | 130 |
| Tax Increment Financing District #6 (East River Area) Fund | 131 |
| Tax Increment Financing District #7 (West Farnsworth Area) Fund..... | 132 |
| Tax Increment Financing District #8 (East Farnsworth Area) Fund | 133 |
| Tax Increment Financing District #9 (Stolp Island Area) Fund | 134 |
| Tax Increment Financing District #10 (Galena and Broadway) Fund | 135 |
| Tax Increment Financing District #11 (Benton and River Area) Fund | 136 |
| Tax Increment Financing District #13 (River and Galena Area) Fund | 137 |
| Tax Increment Financing District #14 (Lincoln and Westin Area) Fund.. | 138 |
| Special Service Areas Fund | 139 |
| Stormwater Management Fee Fund..... | 140 |
| Long-Term Control Plan Fee Fund..... | 141 |

Nonmajor Capital Projects Funds

| | |
|--|---------|
| Combining Balance Sheet | 142-143 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances..... | 144-145 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | |
| Capital Improvements Fund | 146 |
| 2008B TIF Bond Project Fund | 147 |
| Gaming Tax Fund | 148 |
| 2017 General Obligation Bond Project Fund | 149 |
| Fire Impact Fees Fund | 150 |
| Public Works Impact Fees Fund..... | 151 |
| Ward Projects Fund | 152 |

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Nonmajor Capital Projects Funds (Continued)

Ward Projects Fund

Combining Balance Sheet..... 153-154

Combining Schedule of Revenues, Expenditures
and Changes in Fund Balance..... 155-156

ENTERPRISE FUNDS

Combining Statement of Net Position..... 157

Combining Statement of Revenues, Expenses and
Changes in Net Position 158

Combining Statement of Cash Flows..... 159-160

Schedule of Revenues and Expenditures - Budget and Actual

Motor Vehicle Parking System Fund 161

Transportation Center Fund..... 162

Golf Operations Fund..... 163

Water and Sewer Fund 164-165

Airport Fund 166

INTERNAL SERVICE FUNDS

Combining Statement of Net Position 167

Combining Statement of Revenues, Expenses and Changes in
Net Position..... 168

Combining Statement of Cash Flows..... 169-170

Schedule of Revenues, Expenses and Changes in

Net Position - Budget and Actual

Property and Casualty Insurance Fund..... 171

Employee Health Insurance Fund 172

Employee Compensated Benefits Fund..... 173

FIDUCIARY FUNDS

Combining Statement of Plan Net Position -
Pension and Other Postemployment Benefit Trust Funds 174

Combining Statement of Changes in Plan Net Position -
Pension and Other Postemployment Benefit Trust Funds 175

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES (Continued)

FIDUCIARY FUNDS (Continued)

| | |
|--|-----|
| Schedule of Changes in Plan Net Position - Budget and Actual | |
| Police Pension Fund | 176 |
| Firefighters' Pension Fund | 177 |
| Retiree Health Insurance Trust Fund..... | 178 |

SUPPLEMENTARY FINANCIAL INFORMATION

| | |
|--|-----|
| Schedule of Insurance Coverage and Other Information | 179 |
|--|-----|

STATISTICAL SECTION

Financial Trends

| | |
|--|---------|
| Net Position by Component | 180-181 |
| Change in Net Position..... | 182-185 |
| Fund Balances of Governmental Funds | 186-187 |
| Changes in Fund Balances of Governmental Funds | 188-189 |

Revenue Capacity

| | |
|---|---------|
| Property Tax Assessed Valuations, Rates and Extensions | 190-191 |
| Assessed Value and Actual Value of Taxable Property | 192 |
| Property Tax Rates - Direct and Overlapping Governments | 193-194 |
| Principal Property Taxpayers | 195 |
| Property Tax Levies and Collections | 196 |
| Taxable Sales by Category | 197 |
| Direct and Overlapping Sales Tax Rates | 198 |

Debt Capacity

| | |
|--|-----|
| Ratios of Outstanding Debt by Type..... | 199 |
| Ratios of General Bonded Debt Outstanding..... | 200 |
| Direct and Overlapping Governmental Activities Debt..... | 201 |
| Schedule of Legal Debt Margin | 202 |
| Pledged-Revenue Coverage | 203 |

Demographic and Economic Information

| | |
|---|-----|
| Demographic and Economic Information..... | 204 |
| Principal Employers | 205 |

Operating Information

| | |
|-------------------------------------|-----|
| Full-Time Equivalent Employees..... | 206 |
| Operating Indicators | 207 |
| Capital Asset Statistics | 208 |

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

ADDITIONAL DISCLOSURES

| | |
|---|---------|
| Additional Disclosures Required by SEC Rule 15c2-12 | 209-238 |
|---|---------|

INTRODUCTORY SECTION

**CITY OF AURORA, ILLINOIS
PRINCIPAL OFFICIALS**

MAYOR

Richard C. Irvin

CITY COUNCIL

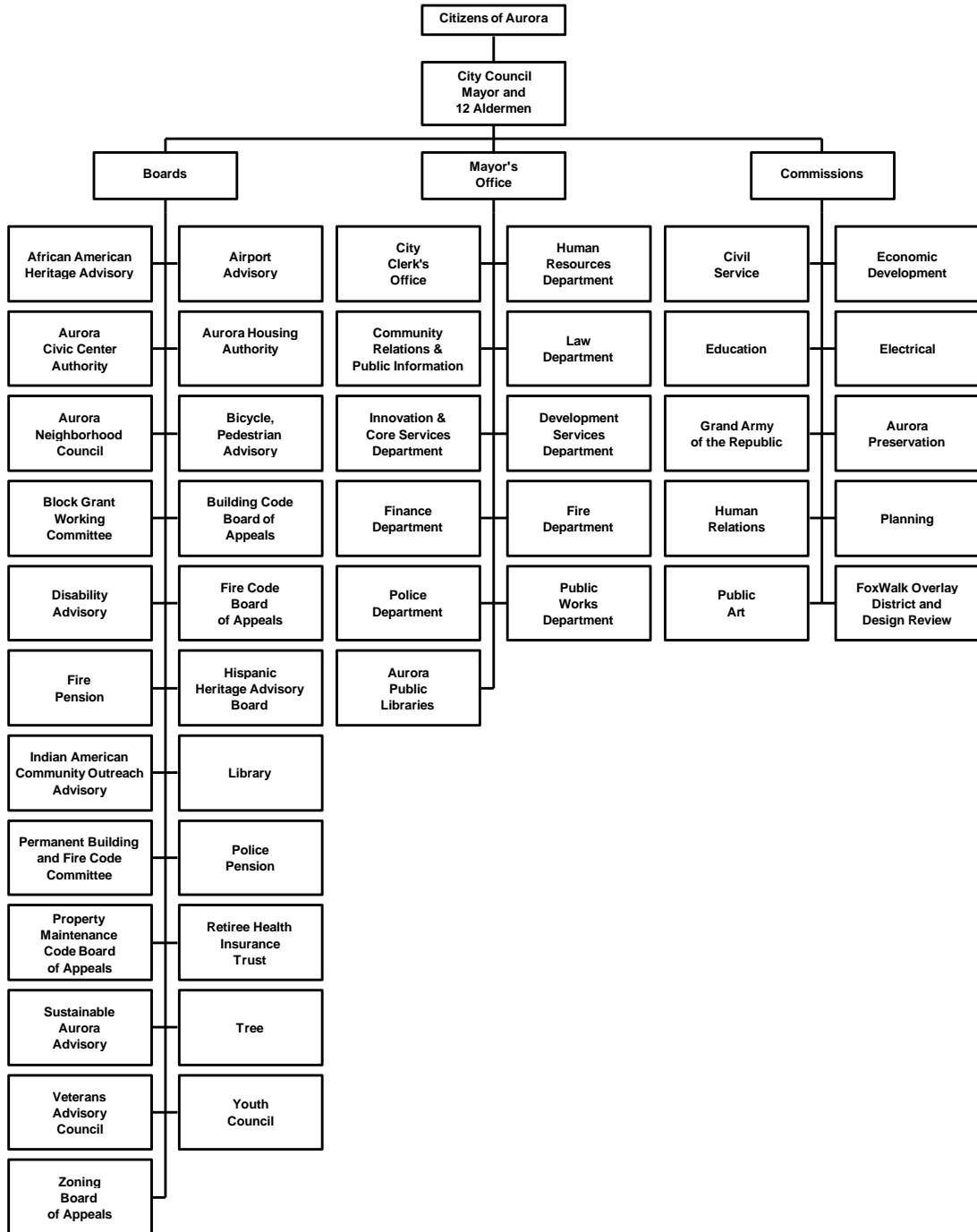
*Robert J. O'Connor, Alderman at Large
Sherman L. Jenkins, Alderman at Large
Kristina A. Bohman, First Ward Alderman
Juany Garza, Second Ward Alderman
Theodoros C. Mesiacos, Third Ward Alderman
William M. Donnell, Fourth Ward Alderman
Carl A. Franco, Fifth Ward Alderman
Michael B. Saville, Sixth Ward Alderman
Schequeta Hart-Burns, Seventh Ward Alderman
Richard B. Mervine, Eighth Ward Alderman
Edward J. Bugg, Ninth Ward Alderman
Judd M. Lofchie, Tenth Ward Alderman*

PRIMARY ADMINISTRATIVE OFFICIALS

*Alex G. Alexandrou, Chief Management Officer
John P. Curley, Chief Development Services Officer
Adrienne M. Holloway, Chief Innovation Officer
Gary N. Krienitz, Fire Chief
Alisia I. Lewis, Director of Human Resources
Martin S. Lyons, Chief Finance Officer/City Treasurer
Wendy A. McCambridge, City Clerk
Clayton A. Muhammad, Community Relations & Public Information
Daisy Porter-Reynolds, Director of Libraries
Kenneth D. Schroth, Director of Public Works/City Engineer
Richard J. Veenstra, Corporation Counsel
Kristen Ziman, Police Chief*

CITY OF AURORA

Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Aurora
Illinois**

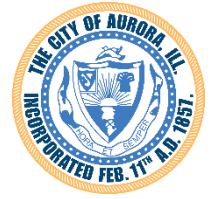
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

City of Aurora



Finance Department | Accounting Division

44 E. Downer Place | Aurora, IL 60507

Phone: (630) 256-3500 | Fax: (630) 256-3509 | [Web: www.aurora-il.org](http://www.aurora-il.org)

Email: Findepartment@aurora-il.org

July 14, 2020

To the Mayor of the City of Aurora, the Aurora City Council, and Aurora Residents and Businesses:

The Comprehensive Annual Financial Report (CAFR) of the City of Aurora, Illinois, for the fiscal year ended December 31, 2019, is submitted herewith. This report provides a broad view of the city's financial activities for the 2019 fiscal year and its financial position at December 31, 2019. Although addressed to the elected officials and the citizens of the city, this report has a number of other users. Foremost among these other users are bondholders of the city, financial institutions, credit rating agencies, educational institutions, and other governmental entities. Illinois statutes require that Illinois municipalities publish financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles and are audited by independent accountants. In producing a CAFR, the City of Aurora has chosen to provide financial information that is significantly greater than what state law requires and in many cases information above the Government Finance Officers Association (GFOA) requirements for a CAFR.

Responsibility for both the accuracy of the information presented in the CAFR as well as the completeness and fairness of the presentation, including all disclosures, rests with the city's management. We believe that the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the city and the results of its operations; and that all disclosures necessary to enable the reader to gain the maximum understanding of the city's financial affairs have been included.

Sikich LLP (Certified Public Accountants) has issued an unmodified ("clean") opinion on the city's financial statements for the year ended December 31, 2019. The independent auditor's report is located at the front of the financial section of this report.

The management of the city has established a system of internal control that is designed to assure that the assets of the city are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be 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 evaluation of the costs and benefits requires estimates and judgments by management.

This letter of transmittal should be read in conjunction with management's discussion and analysis (also included in the CAFR) to obtain the most complete assessment of the city's current financial status and its future prospects.

The Reporting Entity and its Services

The City of Aurora was incorporated in 1857. The city is located approximately 36 miles west of Chicago. Aurora is a home-rule community as defined by the Illinois Constitution and operates under the mayor-council form of government. The City Council is comprised of 12 aldermen, two elected at large and one elected from each of the city's ten wards.

Aurora is a diverse and growing community. The city currently has a land area of approximately 46 square miles and extends into four Illinois counties: Kane, DuPage, Kendall, and Will. In the 2017 census update, Aurora's population was estimated to be 201,110, making it the second most populous municipality in the state. The 1980 and 2010 census figures of 81,293 and 197,899, respectively, provide insight into the pace of Aurora's growth. The United States Census Bureau found that Aurora was the 18th fastest growing city in America during the 1990s among cities with a population of more than 100,000.

The city provides the full range of municipal services contemplated by statute or charter. These services include public safety, roadway maintenance, refuse disposal, public improvements, planning and zoning, engineering and inspection, water and sewer utility service, youth and certain other social services, and general administrative services. Supplementing the recreational services provided by local park districts, the city operates several municipal parks, one zoo, and a golf course. The city also owns and operates the Aurora Municipal Airport. Library services are provided by the Aurora Public Library. The Aurora Public Library is a component unit of the city whose financial information is "discretely presented" in accordance with generally accepted accounting principles. Consequently, most of the detailed financial information pertaining to the library is published in a separate financial report.

The Accounting System and Budgeting

The accounts of the city are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenses/expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The city's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period and expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are the basis for assessing budgetary compliance. After the end of the fiscal year, the city's management makes various adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The City of Aurora has operated under the budget system as permitted by Chapter 65 of Illinois Compiled Statutes (as opposed to the appropriation system) since January 1, 2000. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object. Budgetary control is maintained by the use of encumbrance accounting under which purchase orders, contracts, and other commitments are effectively recorded as temporary expenditures in order to reserve the proper portion of the applicable budgetary account. The legal level of budgetary control is the department level or, where no departmental segregation of a fund exists, the fund level.

The city's budget development process starts in April of each year with the issuance of budgeting instructions by the Finance Department. These instructions provide detailed guidance to the city staff on how to prepare departmental/divisional budget requests. Applicable forms are also provided. Department heads must submit their budget requests to the Finance Department in April and May. During the month of May and June, the Finance Department compiles a draft city budget based upon the departmental requests and its projection of revenues for the budget year. In June and July, the Mayor meets with department heads to review their budget requests. The Mayor makes adjustments as appropriate to achieve budgetary balance and align the spending plan with his priorities. During August and September, the Finance Department revises the draft budget as directed by the Mayor. The Mayor submits his proposed city budget to the City Council for consideration in October.

Upon receiving the Mayor's proposed budget, the City Council refers the document to its Finance Committee for review. The Finance Committee meets with selected department heads and other city staff members during October and November to review the portions of the proposed budget within their functional responsibility. The Finance Committee may make changes to the proposed budget in consultation with the Mayor. Upon completion of its review, the Finance Committee typically recommends approval of the proposed budget to the City Council in November. The City Council approves the budget in late November or early December.

The city prepares budgets for its numerous governmental, proprietary, and fiduciary funds. The General Fund, Debt Service Fund, Gaming Tax Fund, and several other special revenue and capital projects funds comprise the governmental funds section of the budget. The proprietary funds section includes the Water and Sewer Fund, Airport Fund, Motor Vehicle Parking System Fund, Transportation Center Fund, Golf Operations Fund, and the three internal service funds. The Aurora Police Pension Fund, Aurora Firefighters' Pension Fund, and Retiree Health Insurance Trust Fund are included in the budget as fiduciary component units. The city does not adopt a budget for its Working Cash Fund (a governmental permanent fund).

Factors Affecting Economic Condition

Local Economy. The Aurora local economy remains strong. The City is a full participant in the strong metropolitan Chicagoland economy. As residential and business development has moved west from Chicago, Aurora has been a beneficiary. As described above, Aurora has experienced significant population growth over the past 30 years. Geographic growth has paralleled the population increases. Between 1980 and 2013 the land area of the City increased from 28 to 46 square miles. The City has managed the growth with a "growth should pay for itself" philosophy. This philosophy has manifested itself through policies that require new developments to pay for their own infrastructure.

A major strength of Aurora's economic base is its diversity. Of the city's combined total of \$3,928,150,165 in equalized assessed value (EAV) for the 2018 property tax levy (applicable to property taxes paid in 2019), \$660,214,403 or 16.8% was classified as commercial and \$411,775,377 or 10.5% as industrial. Between 2014 and 2015, the city's total EAV (excluding incremental/tax increment financing EAV) increased by \$259.7 million or 8.09% due to the reassessment of properties.

The city's retail anchors continue to be the Fox Valley Mall, a 1.5 million square-foot enclosed shopping mall constructed in the 1970s that contains over 150 stores and the Chicago Premium Outlets, an upscale fashion oriented outlet center located just east of Farnsworth Avenue and north of Interstate Route 88 with over 170 stores and 725,000 square feet of retail space. While these retail facilities enjoy regional recognition as prime shopping locations, several smaller retail centers also exist throughout the community.

Economic development successes during 2019 included, but were not limited to:

- ***Old Copley Hospital*** – The City committed to the remediation of the Old Copley Hospital site as part of a multi-phase development plan. Work is underway on Phase I, involving a \$3.0 million grant to facilitate the cleanup of this site, which in turn will result in a multi-use health and living facility on the near east side of the City.
- Two downtown developments were finalized and approved in February 2019 for the renovation of the Terminal Building at Broadway and Galena and for the Keystone Building just south of the Paramount Theater on Stolp Island.
- Two additional developments were finalized later in 2019 for the renovation of 80 S. River (the former West Aurora School District 129 Administration building) and the Hobbs and adjacent buildings in downtown into mixed-use residential and commercial properties.
- The \$35 million Paramount School of the Arts opened during 2019 as did the Artist’s Lofts, providing affordable housing to artists. The last phase of this project was the opening of a new restaurant by Amy Morton, Stolp Island Social.
- ***Pacifica Square*** – This development replaces the old Yorkshire Plaza and involves the rehab of the shopping center and the creation of an Asian Market. Future phases on this site include a corporate office center and a residential development tailored to the Asian market environment.
- ***Fox Valley Mall*** – The mall was purchased by new owners and is undergoing a renovation and makeover into an updated indoor entertainment, shopping and dining destination.

In March 2020 the World Health Organization characterized the COVID-19 outbreak as a pandemic. This outbreak in the United States has caused business disruption through mandatory and voluntary closings. While this is expected to be temporary, there is considerable uncertainty around the ultimate duration and the related financial impact. The coronavirus pandemic has significantly affected the financial markets and the City is likely to suffer investment losses in 2020 as well as reduced revenue levels.

Long-Term Financial Planning. The city uses a number of processes and resultant planning documents to accomplish its financial planning. As discussed above, the city adopts an annual budget. There are two major planning documents that are inputs to the annual budgeting process. The first is the city’s strategic plan. The strategic plan establishes a comprehensive program of major goals for the city. The overall organizational goals included in the current plan are to:

- Attract and retain businesses and jobs.
- Preserve high levels of public safety and quality of life.
- Provide efficient, innovative, transparent, and accountable city government.

The city’s departments and divisions have established goals and programs of work to support the accomplishment of the citywide goals listed above.

Tasks included in the strategic plan that require capital expenditures are inputs to the city's capital planning process. Those that do not require capital expenditures are direct inputs to the annual budget process.

The second major input to the annual budget process is the capital planning process. The Capital Improvements Plan (CIP) is the product of the capital planning process. The CIP reflects a ten-year projection for a variety of capital projects, to include infrastructure. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least \$100,000 and a useful life of more than one year. (Motor vehicles and equipment are excluded from the CIP.) The major categories of projects in the CIP are:

- Downtown.
- Economic Development.
- Facilities.
- Municipal Airport.
- Neighborhood Redevelopment.
- Recreation.
- Stormwater.
- Transportation.
- Water and Sewer.

Those projects that are programmed for the first year of the CIP (i.e., the upcoming budget year) are most closely scrutinized in the capital planning process because their funding must be addressed in the annual budget.

Financial Policies. The city has established several specific policies to guide its financial operations. Those policies relate to accounting and financial reporting, budgeting and revenue management, debt management, cash management and investments, and purchasing. Some of the most significant policies include:

- Issue a comprehensive annual financial report within 180 days of the end of each fiscal year that complies with generally accepted accounting principles. (Accounting and Financial Reporting)
- Capitalize building improvements, land improvements, and infrastructure with an acquisition cost of \$100,000 or more. Capitalize vehicles, machinery, furniture, and equipment with an acquisition cost of \$50,000 or more. (Accounting and Financial Reporting)
- Maintain a diversified revenue structure. (Budgeting and Revenue Management)

- Maintain a General Fund balance of the greater of a) \$1 million plus 25% of the prior year's corporate property tax levy or b) 10% of expenditures as originally budgeted for the year. (Budgeting and Revenue Management)
- Maintain a balanced General Fund budget except for planned drawdowns of the fund balance when the fund balance exceeds its target. (Budgeting and Revenue Management)
- Restrict the use of gaming tax revenues to capital projects, general obligation debt service, and non-essential services. Maximize the use of gaming tax revenues for downtown redevelopment purposes. (Budgeting and Revenue Management)
- Gradually increase annual employer contributions to the Retiree Health Insurance Trust Fund so as to achieve an 80% funded ratio for the retiree healthcare plan over the course of several years. (Budgeting and Revenue Management)
- Limit the period during which debt is outstanding to a time period not greater than the useful life of the asset financed by the debt. (Debt Management)
- Sell bonds through competitive, rather than negotiated, sales whenever advantageous to do so. (Debt Management)
- Require that all bank deposits be collateralized with high-quality securities having a market value of at least 110% of the underlying securities. (Cash Management and Investments)
- Purchase investments on a delivery-versus-payment basis pursuant to competitive bidding. (Cash Management and Investments)
- Purchase only those investments allowable under the Illinois Public Funds Investment Act. (Cash Management and Investments)
- Place all investment securities with a third-party custodian for safekeeping. (Cash Management and Investments)
- Conduct a formal competitive bidding process (newspaper publication) for purchases in excess of \$25,000. (Purchasing)
- Obtain City Council approval of all purchases in excess of \$25,000. (Purchasing)

2019 Accomplishments

Aurora is a great place to work, live, and raise a family. The City of Aurora is dedicated to constantly improving the delivery of its services thereby enhancing the quality of life for its residents and the operating environment for its businesses. The tagline “There Is Something Happening Here, Can You Feel It?” became a way to highlight the city’s more notable accomplishments. In 2019 those accomplishments included:

- ***Development Services Center (DSC)***—Opened in 2019 and is the center for all development activity, making it easier for residents and visitors to access city services.
- Demolition of the old Building and Permits building, creating an expanded parking lot, allowing for the relocation of the Aurora Farmers Market from the Aurora Transportation Center back to the heart of downtown.
- ***Financial Empowerment Center (FEC)***—Offers free financial counseling to residents and provided them the necessary tools to accomplish goals and get on track financially. The FEC is a natural complement to the other services provided by the City’s not for profit partners.
- ***Smart City Kiosks***—Six kiosks were installed throughout downtown and at the Route 59 Transit Center, providing a virtual welcome center to provide information and support for the local and small business community.
- The initiation of several downtown improvement projects at the Terminal, Hobbs, Keystone and 80 S. River Buildings.
- Clean up of the Old Copley Hospital in preparation of a \$100 million renovation and relocation of District 131 School Administration facilities.

The city’s record of achievement for 2019 was substantial. Given the professionalism and dedication of the Mayor, City Council, and city staff, I believe that the accomplishments of the future will be no less weighty. All are committed to seeing that Aurora residents and businesses receive first-rate municipal services.

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 of Aurora for its CAFR for the fiscal year ended December 31, 2018. This was the 21st consecutive year that the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. 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. We believe that this CAFR continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Aurora received the GFOA's Distinguished Budget Presentation Award for its annual budget for the 2019 fiscal year. This was the 20th consecutive year that the government achieved this award. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. In particular, I would like to acknowledge the work of the following Finance Department staff members:

Linda B. Read, Assistant Director of Finance
Stacey L. Peterson, Assistant Director of Finance
Krista L. Heinke, Accounting Supervisor
Ana M. Ruiz, Accountant
Amy J. Gauer, Accountant
Daniel Contreras, Accountant
Jennifer O'Malley, Accountant

Additionally, I would like to express my appreciation to the Mayor and the City Council for their leadership and support in planning and conducting the financial operations of the city in a responsible and progressive manner.

Respectfully submitted,



Martin S. Lyons
Chief Financial Officer/City Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Aurora, Illinois (the City) as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Aurora Public Library and the fiduciary component units were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Aurora, Illinois, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, which established standards for measuring and recognizing liabilities, deferred outflows of resources, and expenses for asset retirement obligations; and modified certain disclosures in the notes to financial statements. The City also adopted GASB Statement No. 84, *Fiduciary Activities*, which established standards for reporting fiduciary funds and modified certain disclosures in the notes to the financial statements. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Aurora, Illinois' basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the

auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Aurora, Illinois' basic financial statements for the year ended December 31, 2018, which are not presented with the accompanying financial statements. In our report dated June 28, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Aurora, Illinois' basic financial statements as a whole. The 2018 comparative information included on certain combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information included on certain combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Governmental Auditing Standards*, we have also issued our report dated June 30, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
June 30, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF AURORA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019

As the management of the City of Aurora (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which may be found on pages iv through xi of this report.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

In accordance with generally accepted accounting principles, the City presents its financial statements so as to offer two perspectives of its financial position and results of operations. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the City for specific purposes. The focus of the fund statements is on major funds. Both perspectives (government-wide and major fund) address likely user questions, provide a broad basis for comparison (year to year or government to government), and enhance the City's accountability and transparency.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the aggregate difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as an event giving rise to the change occurs, regardless of the timing of the 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 (e.g., earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of the City 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 include general government, public safety, streets and transportation, health and welfare, culture and recreation, and economic development. The business-type activities of the City include a water and sewer system, downtown and commuter parking operations, an airport, and a golf course.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

The government-wide financial statements include not only the City itself (known as the primary government), but also the Aurora Public Library (the “Library”). The City is financially accountable for the Library, but the Library has a separate governing board. Because the Library is a legally separate component unit, its financial information is reported separately from the financial information of the City.

The government-wide financial statements can be found on pages 4 through 7 of this report.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City 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, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government’s near-term financing requirements.

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. By doing so, readers may better understand the long-term impact of the government’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 this comparison between governmental funds and governmental activities.

The City maintains 35 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 and Debt Services Fund, which are considered to be “major” funds. Data from the other 33 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for each fund in accordance with Illinois compiled statutes. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 8 through 12 of this report.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer system, airport, downtown and commuter parking operations, and a golf course. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City’s various functions. The City uses internal service funds to account for the costs of property and casualty insurance, employee health insurance, and employee severance and sick leave. Because the City’s costs for these items relate primarily to governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds 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 Water and Sewer Fund and Airport Fund, which are considered to be major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 13 through 17 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of 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’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City maintains three fiduciary funds: the Police Pension Fund, Firefighters’ Pension Fund, and the Retiree Health Insurance Trust Fund.

The basic fiduciary fund financial statements can be found on pages 18 and 19 of this report.

Notes to 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 financial statements can be found on pages 20 through 89 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’s progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 90 through 102 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented immediately following the required supplementary information on postemployment benefits. Combining and individual fund statements and schedules can be found on pages 103 through 176 of this report.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Financial Analysis of the City as a Whole

Beyond presenting current-year financial information in the government-wide and major individual fund formats, the City also presents comparative information from the prior year in this Management’s Discussion and Analysis. By doing so, the City believes that it is providing the best means of analyzing its financial condition and position as of December 31, 2019.

GOVERNMENT-WIDE STATEMENTS

Net Position

The following table reflects the condensed Statement of Net Position.

**Table 1
Statement of Net Position
As of December 31, 2019 and 2018
(in millions)**

| | <i>Governmental Activities</i> | | <i>Business-Type Activities</i> | | <i>Total Primary Government</i> | |
|---|------------------------------------|-----------------|-------------------------------------|-----------------|---|-----------------|
| | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> |
| Current and Other Assets | \$ 253.8 | \$ 244.6 | \$ 36.3 | \$ 33.8 | \$ 290.1 | \$ 278.4 |
| Capital Assets | 536.0 | 524.7 | 249.6 | 248.7 | 785.6 | 773.4 |
| Total Assets | 789.8 | 769.3 | 285.9 | 282.5 | 1,075.7 | 1,051.8 |
| Deferred Outflows of Resources | 204.0 | 188.2 | 17.0 | 11.7 | 221.0 | 199.9 |
| Total Assets and Deferred Outflows | 993.8 | 957.5 | 302.9 | 294.2 | 1,296.7 | 1,251.7 |
| Long-Term Liabilities | 837.0 | 780.0 | 58.0 | 49.7 | 895.0 | 829.7 |
| Other Liabilities | 55.5 | 47.3 | 7.2 | 7.0 | 62.7 | 54.3 |
| Total Liabilities | 892.5 | 827.3 | 65.2 | 56.7 | 957.7 | 884.0 |
| Deferred Inflows of Resources | 142.3 | 130.5 | 3.6 | 6.8 | 145.9 | 137.3 |
| Total Liabilities and Deferred Inflows | 1,034.8 | 957.8 | 68.8 | 63.5 | 1,103.6 | 1,021.3 |
| Net Position: | | | | | | |
| Net Investment in Capital Assets | 420.7 | 401.6 | 229.4 | 226.0 | 650.1 | 627.6 |
| Restricted | 46.1 | 46.7 | 4.0 | 5.1 | 50.1 | 51.8 |
| Unrestricted | (507.8) | (448.6) | 0.7 | (0.4) | (507.1) | (449.0) |
| Total Net Position | \$ (41.0) | \$ (0.3) | \$ 234.1 | \$ 230.7 | \$ 193.1 | \$ 230.4 |

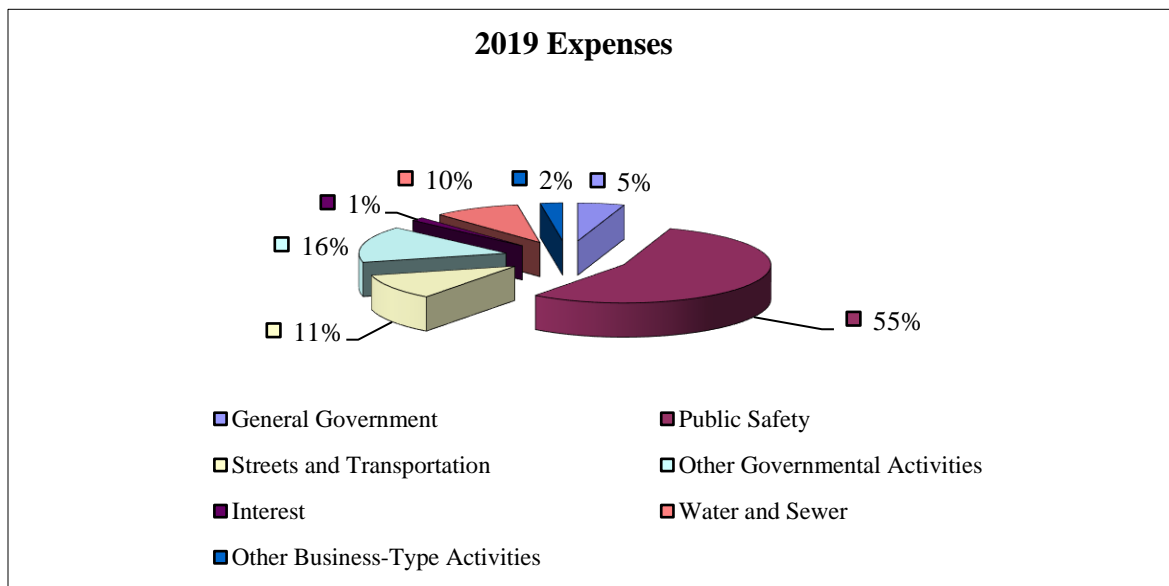
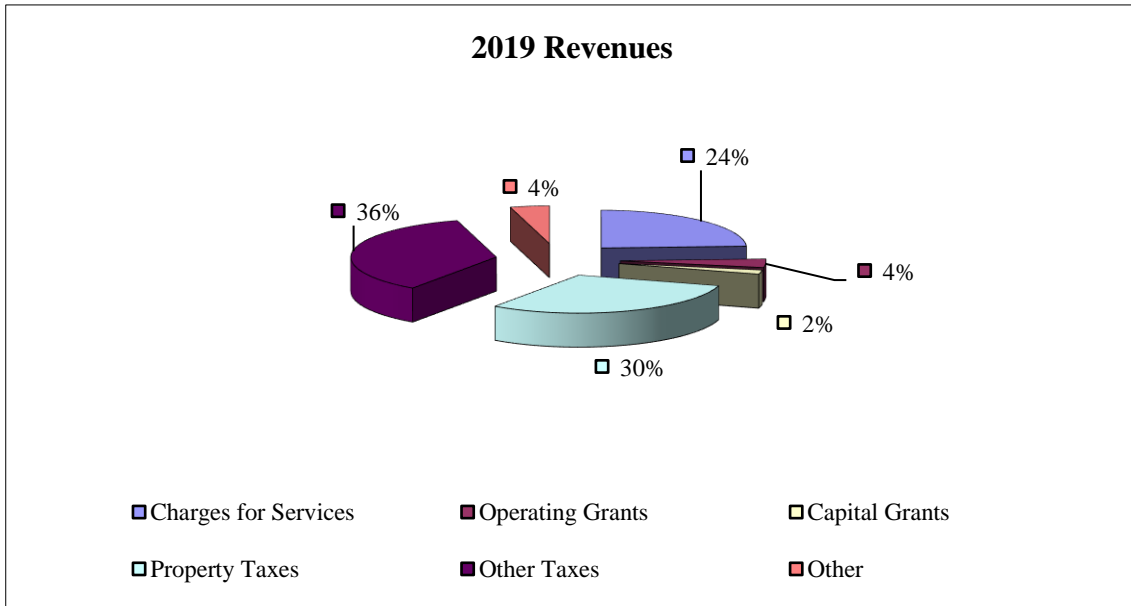
The City’s combined net position decreased by \$37.3 million - from \$230.4 to \$193.1 million - during 2019. This change is the net result of a decrease of \$40.7 million and an increase of \$3.4 million increase in the net position of governmental activities and business-type activities, respectively. The change in net position was due to an increase in capital assets and a larger increase in long-term liabilities. The increase in liabilities is primarily related to higher net pension obligations for police and fire and IMRF as well as increases in the net liability associated with providing retiree health insurance benefits.

For more detailed information, see the Statement of Net Position on pages 4 and 5.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Activities

The following charts and table summarize the revenue and expenses of the City’s activities.



**CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Table 2
Changes in Net Position
For the Fiscal Year Ended December 31, 2019 and 2018
(in millions)**

| | <i>Governmental Activities</i> | | <i>Business-Type Activities</i> | | <i>Total Primary Government</i> | |
|---|------------------------------------|----------------|-------------------------------------|----------------|---|----------------|
| | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> |
| | | | | | | |
| REVENUES | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 28.8 | \$ 26.2 | \$ 41.5 | \$ 40.7 | \$ 70.3 | \$ 66.9 |
| Operating Grants and Contributions | 10.5 | 9.9 | - | 0.2 | 10.5 | 10.1 |
| Capital Grants and Contributions | 1.8 | 2.0 | 3.0 | 0.7 | 4.8 | 2.7 |
| General Revenues: | | | | | | |
| Property Taxes | 87.7 | 85.3 | - | - | 87.7 | 85.3 |
| Other Taxes | 103.8 | 98.0 | 0.7 | 0.4 | 104.5 | 98.4 |
| Other | 6.5 | 3.5 | 6.2 | 0.4 | 12.7 | 3.9 |
| Total Revenues | 239.1 | 224.9 | 51.4 | 42.4 | 290.5 | 267.3 |
| EXPENSES | | | | | | |
| General Government | 16.8 | 18.7 | - | - | 16.8 | 18.7 |
| Public Safety | 180.5 | 70.3 | - | - | 180.5 | 70.3 |
| Streets and Transportation | 35.9 | 22.0 | - | - | 35.9 | 22.0 |
| Health and Welfare | 14.0 | 8.6 | - | - | 14.0 | 8.6 |
| Culture and Recreation | 7.4 | 6.8 | - | - | 7.4 | 6.8 |
| Economic Development | 29.4 | 11.4 | - | - | 29.4 | 11.4 |
| Water and Sewer | - | - | 31.1 | 26.1 | 31.1 | 26.1 |
| Airport | - | - | 2.3 | 3.1 | 2.3 | 3.1 |
| Downtown Parking | - | - | 1.4 | 0.9 | 1.4 | 0.9 |
| Commuter Parking | - | - | 2.8 | 2.1 | 2.8 | 2.1 |
| Golf Operations | - | - | 1.5 | 1.0 | 1.5 | 1.0 |
| Interest on Long-Term Debt | 4.7 | 4.9 | - | - | 4.7 | 4.9 |
| Total Expenses | 288.7 | 142.7 | 39.1 | 33.2 | 327.8 | 175.9 |
| Excess (Deficiency) Before Transfers and Special Items | (49.6) | 82.2 | 12.3 | 9.2 | (37.3) | 91.4 |
| Transfers | 8.9 | (0.5) | (8.9) | 0.5 | - | - |
| Special Items | - | - | - | 5.3 | - | 5.3 |
| Change in Net Position | \$ (40.7) | \$ 81.7 | \$ 3.4 | \$ 15.0 | \$ (37.3) | \$ 96.7 |

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

For the fiscal year ended December 31, 2019, revenues totaled \$290.5 million. The City benefits from a highly diversified revenue base. Revenues from the City’s largest single source, property taxes, amounted to \$87.7 million. Property taxes support governmental activities, which includes the City’s contribution to the Aurora Firefighters’ Pension Fund and the Aurora Police Pension Fund. Between 2018 and 2019, total property tax revenues rose by 2.8%.

The “other taxes” classification includes a number of different revenue sources. Among those are sales taxes, income taxes, and gaming taxes. The two major types of sales taxes are the retailer’s occupation tax (ROT) and the home-rule sales tax. Both of these sales taxes are collected by the State of Illinois. A portion of the ROT is shared by the state with its municipalities based upon the point of sale. While the ROT is a 7.0% tax, the equivalent of a 1% tax is remitted to Aurora. The City’s home-rule sales tax rate is 1.25%. All of the proceeds from the home-rule sales tax are remitted to Aurora.

The ROT is recorded only in the General Fund. During 2019, the City recorded home-rule sales tax revenues in the General Fund; Safety, Health, and Public Enhancement Fund; Capital Improvements Fund; Airport Fund; and the Motor Vehicle Parking Systems Fund.

In 2019, ROT revenues were \$23.5 million compared to \$22.1 million in 2018. Home-rule sales tax revenues increased 6.8% between the two years, increasing from \$19.2 million to a total of \$20.5 million during 2019. Sales tax remains stable in the City of Aurora, and numerous economic development activities are planned as discussed below in this correspondence to support the Aurora economy.

Income taxes are also shared by the state, but on a per-capita basis. Between 2018 and 2019, the City’s income tax revenues increased from \$19.0 million to \$21.1 million – a \$2.1 million increase or 11.1%.

The City collects a \$1 per person tax on admissions to Aurora’s riverboat casino, the Hollywood Casino. Aurora also benefits from a 5% wagering tax on the casino’s revenues. Together, these taxes amounted to \$6.6 million in 2019 and \$6.8 in 2018. The decline from previous years reflects the effect of competition from other gaming facilities in the region and the institution of video gaming throughout the state. In 1994, the first full year when the Aurora casino was in operation, the City received \$9.3 million in gaming taxes. The revenue high point came in 2002 when \$16.3 million was generated for the City.

There was an increase in charges for services in 2018 for both governmental and business-type activities. In governmental activities, the City saw an increase in revenues from building permits and plan review fees. Between 2018 and 2019, building permit and plan review revenues increased from \$3.1 million to \$4.2 million. In business-type activities, the water and sewer fee revenue was approximately \$35.8 million in 2019, up from \$35.0 million in 2018. The revenue increase of 2.2% reflects the city’s practice of increasing water rates gradually each year. Over the past few years, the City has migrated to a rate structure that relies more heavily on a fixed base fee. This serves to shore up overall water and sewer utility revenues as customers conserve water and the revenues generated by the volume (consumption) charge are less robust.

**CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

Also indicated in Table 2 are changes in grant and contribution revenues. Operating grants and contributions increased slightly from \$10.1 in 2018 to \$10.5 million in 2019. Capital grants increased from \$2.7 million in 2018 to \$4.8 million in 2019. Grant revenues fluctuate year to year based on funding available, amounts awarded and the timing of the expenditures. This year the changes are primarily related to changes in funding and timing of expenditures of grant funds from the United States Department of Housing and Urban Development as the Home Ownership and Maintenance Empowerment Program and Community Development Block Grant Program, resulting in an overall decrease \$982,000. This was offset by additional revenue of \$1.2 million from capital projects undertaken using motor fuel tax funds. Additionally, there was an increase of \$217,000 in federal asset forfeitures from 2018 to 2019 and increased spending of \$154,000 associated with the U.S. Department of Homeland Security grant program to Prepare Communities for Complex Coordinated Terrorist Attacks.

Aurora's expenses amounted to a total of \$327.8 million in 2019 compared to \$175.9 million in 2018. This represents an increase of 86.4% from the prior year.

Public safety costs comprise the greatest proportion of the City's total expenses. Between 2018 and 2019, public safety costs increased by 156.8%, from \$70.3 to \$180.5 million. The increase is attributable to personnel-related and other operating costs associated with the City's fire department and police department. This increase is attributable to higher salaries and benefits negotiated through collective bargaining agreements as well as the associated pension costs for those salaries and benefits. There was also an increase in retiree health costs as a result of normal census updates and differences between expected and actual experience in the actuarial valuation.

Expenses for streets and transportation rose from \$22.0 million in 2018 to \$35.9 million in 2019 (an increase of \$13.9 million or 63.2%). The difference was the result of higher retiree health costs due to normal census updates and differences between expected and actual experience in the actuarial valuation.

In the business-type activities, the expenses of the water and sewer function increased from \$26.1 million in 2018 to \$31.1 million in 2019 – a \$5.0 million or 19.2% increase. Higher retiree health benefit costs in 2019 account for the year-to-year change.

Refer to the City of Aurora Retiree Health Insurance Trust Fund annual financial report for the year ended December 31, 2019 for more information regarding the city's retiree health insurance plan.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

At December 31, 2019, the governmental funds had combined fund balances of \$99.6 million. This reflects an \$0.6 million decrease from the prior year. Summarized results for the General Fund are provided below.

**Table 3
General Fund Budgetary Highlights
For the Fiscal Year Ended December 31, 2019
(in millions)**

| | <i>Original Budget</i> | <i>Amended Budget</i> | <i>Actual</i> |
|-------------------------------|----------------------------|---------------------------|-----------------|
| REVENUES | | | |
| Taxes | \$ 160.929 | \$ 161.016 | \$ 166.945 |
| Licenses, Fees, and Permits | 8.600 | 8.600 | 9.001 |
| Other | 9.550 | 9.560 | 11.981 |
| Total Revenues | 179.079 | 179.176 | 187.927 |
| EXPENDITURES | 182.067 | 187.517 | 181.694 |
| TRANSFERS IN | 2.900 | 2.900 | 2.900 |
| TRANSFERS OUT | - | - | - |
| Change in Fund Balance | \$ (0.088) | \$ (5.441) | \$ 9.133 |

In 2019, the fund balance of the General Fund increased by about \$9.1 million, bringing the total fund balance at year-end to \$33.7 million. The City’s policy is to maintain a General Fund balance of no less than 10% of budgeted expenditures. As of December 31, 2018, the minimum fund balance target was \$24.5 million. Thus, management deemed the General Fund balance to be at least minimally satisfactory at the end of 2019. Because property tax revenues are not received each year until about mid-year, the City requires a minimum fund balance in the General Fund to satisfy operational cash flow needs early in the fiscal year.

Actual tax revenues were higher than the budgeted amount primarily because sales tax, income tax and utility tax revenues were higher than expected. Revenues associated with licenses, fees, and permits were slightly more than the budgeted amount. This was primarily due to building permits being higher than amounts budgeted. Actual expenditures were less than the original budget and reflect efforts to control operating and personnel costs during the year.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

The fund balance in the Debt Service fund increased \$1.5 million during 2019 from \$1.6 million in 2018 to \$3.1 million in 2019. Principal and interest payments were lower in 2019 than the previous year, while transfers in from other funds remained consistent with prior years. The Debt Service Fund received \$4.3 million from other funds in both years.

There were significant changes in the fund balances of five special revenue funds (other governmental funds). During 2019 five new funds were created to record the economic development activity located northeast of the downtown:

- TIF # 9 Stolp Island Area Fund (Keystone building)
- TIF #10 Galena and Broadway Area Fund (Terminal building)
- TIF #11 Benton and River Area Fund (80 S. River)
- TIF #13 River and Galena Area Fund (Hobbs building)
- TIF #14 Lincoln and Westin Area Fund (Avalon Heights-Old Copley)

In order to facilitate these economic development deals, the City obtained two lines of credit with local banks. This debt has been recorded in the fund as a current liability. The loans will be repaid by tax credits or revenues generated from the resulting projects, and are captured as receivables from the developers in the fund. Due to the accounting treatment of the transactions and the timing of the cash disbursements, the fund balances in TIF #13 and TIF #14 are currently showing a negative balance, causing an overall decrease in the special revenue funds. These fund balances are expected to return to positive once the debt has been repaid.

The fund balance of the non-major capital projects funds changed significantly during 2019 as a result of spending the bond proceeds from the issuance of \$16.5 million in bonds in 2017 for various capital projects. The Gaming Tax Fund’s balance also decreased by \$2.9 million during 2019. This decrease was result of economic development activity in this fund. During 2019 the City acquired several parcels of land for future development for \$9.8 million dollars which has been capitalized as fixed assets in the city-wide financial statements. Funds from the lines of credit were used for this acquisition and the corresponding debt has been recorded in the fund as a note payable. Because of the accounting treatment of these transactions, the fund balance is showing a reduced balance. The fund balance is offset by the land held in the other fund, and will return to a higher balance upon the sale of the land or the completion of a future development deal.

The Aurora City Council approved three budget amendments during the year. These budget amendments served mainly to provide authority for a)economic development activity in the TIF and Gaming Tax Funds which was not previously budgeted b)allocation of \$3.8 million in additional funds from the United States Department of Housing and Urban Development through the Home Ownership and Maintenance Empowerment program, Community Development Block Grant program and the Emergency Solutions Grant program c)various library revenues and expenditures which were unanticipated d)salaries and benefits for employees which were higher than anticipated as the collective bargaining agreements had not been settled at the time the original budget was adopted.

**CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

Different measurement foci and bases of accounting are used in the accounting and financial reporting for the City's governmental activities and government funds even though the financial statements for each essentially address the same City operations. The economic resources measurement focus and the accrual basis of accounting are used for governmental activities. On the other hand, the current financial resources measurement focus and modified accrual basis of accounting are used for the governmental funds. To reconcile the fund balances of the governmental funds with the net position of governmental activities as of December 31, 2019, the City has provided a reconciliation on page 10 of this report. The most significant reconciling items include:

- \$536.0 million of capital assets are included in the assets of governmental activities. During 2019 and prior years, these costs were recorded as expenditures in the governmental funds.
- \$131.7 million of general obligation bonds and other long term liabilities are included in the liabilities of governmental activities. Long-term liabilities are not recorded in the governmental funds. Rather, the principal and interest payments associated with the servicing of this debt are recorded as expenditures when the debt service payments are due and payable.
- A \$437.7 million net pension liability and related deferred inflows and outflows of resources are recorded for governmental activities. These amounts are not recognized in the governmental funds. Rather, the City's employer contributions are recorded in the General Fund (a governmental fund) as expenditures when the contributions are made to the pension trust funds.
- A \$112.4 million net other postemployment benefits obligation and related deferred inflows and outflows of resources is recorded in governmental activities. These amounts are not recognized in the governmental funds. Instead, the City's employer contributions to the Retiree Health Insurance Trust Fund are recorded as expenditures in the governmental funds as the contributions are made.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Capital Assets

The following schedule reflects the City’s capital asset balances as of December 31, 2019.

**Table 4
Capital Assets
As of December 31, 2019 and 2018
(in millions)**

| | <i>Governmental</i> | | <i>Business-Type</i> | | <i>Total</i> | |
|------------------------------------|---------------------|-----------------|----------------------|-----------------|-----------------|-----------------|
| | <i>Activities</i> | | <i>Activities</i> | | | |
| | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> |
| Land and Land Right of Way | \$ 152.4 | \$ 138.5 | \$ 24.9 | \$ 25.4 | \$ 177.3 | \$ 163.9 |
| Buildings and Land Improvements | 150.0 | 149.1 | 145.9 | 145.9 | 295.9 | 295.0 |
| Machinery, Vehicles, and Equipment | 46.7 | 45.8 | 9.7 | 9.5 | 56.4 | 55.3 |
| Works of Art | 1.0 | 1.0 | - | - | 1.0 | 1.0 |
| Infrastructure | 394.8 | 393.9 | 218.4 | 210.7 | 613.2 | 604.6 |
| Construction in Progress | 38.8 | 30.0 | 3.8 | 3.6 | 42.6 | 33.6 |
| Less: | | | | | | |
| Accumulated Depreciation | (247.7) | (233.6) | (153.1) | (146.4) | (400.8) | (380.0) |
| Total | \$ 536.0 | \$ 524.7 | \$ 249.6 | \$ 248.7 | \$ 785.6 | \$ 773.4 |

At year-end, the City’s investment in capital assets for both its governmental and business-type activities was \$785.6 million (net of accumulated depreciation).

Major capital asset events during 2019 included:

- Several properties were acquired resulting in an increase in land and land right of way of governmental activities. The City acquired the land for economic development purposes.
- Construction in progress for governmental activities rose by \$8.8 million. This was due to construction activity for various projects including Eola Road, the Broadway corridor and enhancements at the Aurora Transportation Center.
- Infrastructure for the business-type activities increased by \$7.7 million due to the completion of various storm sewer separation and water main projects.

For more information on the City’s capital assets, see Note 4 in the notes to the financial statements.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Long-Term Debt

The table below summarizes the City’s bonded and similar indebtedness.

**Table 5
Long-Term Debt
As of December 31, 2019 and 2018
(in millions)**

| | <i>Governmental</i> | | <i>Business-Type</i> | | <i>Total</i> | |
|--|---------------------|-----------------|----------------------|----------------|-----------------|-----------------|
| | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> | <i>2019</i> | <i>2018</i> |
| General Obligation Bonds | \$ 106.3 | \$ 113.1 | \$ - | \$ - | \$ 106.3 | \$ 113.1 |
| Revenue Bonds/Notes | 8.2 | 9.4 | 24.2 | 25.6 | 32.4 | 35.0 |
| Debt Certificates | 3.4 | 3.8 | - | - | 3.4 | 3.8 |
| Illinois EPA Loans | 6.4 | 7.1 | 4.0 | 4.8 | 10.4 | 11.9 |
| Line of Credit- Old Second | 7.5 | - | - | - | 7.5 | - |
| Asset Retirement Obligations | - | - | 2.6 | - | 2.6 | - |
| Compensated Absences | 20.2 | 19.6 | 2.0 | 2.1 | 22.2 | 21.7 |
| Insurance Claims Payable | 5.6 | 8.9 | - | - | 5.6 | 8.9 |
| Net Pension Liabilities * | 515.8 | 469.9 | 10.7 | 3.9 | 526.5 | 473.8 |
| Net Other Post-Employment Benefit Liability * | 176.9 | 162.3 | 16.2 | 15.4 | 193.1 | 177.7 |
| Unamortized Bond Premium | 1.7 | 1.2 | 0.3 | 0.3 | 2.0 | 1.5 |
| Total | \$ 852.0 | \$ 795.3 | \$ 60.0 | \$ 52.1 | \$ 912.0 | \$ 847.4 |

As of December 31, 2019, the City had a total of \$912.0 million of long-term debt outstanding. Of this amount, \$106.3 million was in the form of general obligation bonds backed by the full faith and credit of the City government. Normally, the debt service on the general obligation bonds is paid with a dedicated component of a local government's property tax levy. However, for the past several years, the City abated a large portion of its property tax levy for debt service and used revenues from other sources, especially gaming taxes and real estate transfer taxes, to pay general obligation debt service.

Also outstanding at the end of 2019 were \$32.4 million of revenue bonds and notes. This classification of bonded indebtedness includes water and sewer and tax increment revenue bonds and notes. Water and sewer service fees charged to the City’s residents and businesses are covering the debt service on the water and sewer bonds. Incremental property taxes generated in the City's Tax Increment Financing (TIF) Districts #3 and #6 as well as transfers from the Gaming Tax Fund are being used to pay the debt service on TIF bonds and notes issued in 2008 and 2009.

CITY OF AURORA, ILLINOIS MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

As an Illinois home-rule community, the City is not subject to any debt limitation. In 2018, Standard and Poor’s Ratings Services affirmed an AA credit rating for the City’s general obligation bonds. The AA rating indicates a “very strong capacity to meet financial commitments.” In assigning the rating, Standard & Poor’s cited Aurora’s:

- Strong management, with good financial policies and practice under the firm’s financial management assessment methodology;
- Very strong budgetary flexibility;
- Adequate budgetary performance;
- Very strong liquidity and access to external liquidity considered to be strong;
- Adequate economy, although the City benefits from access to a broad and diverse metropolitan statistical area; and
- Strong institutional framework.

The City has accepted several low - or no-interest loans from the Illinois Environmental Protection Agency (IEPA) to finance water and sewer improvements. The most recent loan, accepted in 2016 from the IEPA, was in the amount of \$7.3 million (of which \$6.7 million has been expended). The proceeds of the loan are being used to construct storm sewers and related appurtenances.

Effective January 1, 2019, the City implemented Statement No. 83 *Certain Asset Retirement Obligations*, of the Governmental Accounting Standards Board. This pronouncement requires the government to recognize a liability related to legal obligations to perform future asset retirement for its tangible capital assets. The City maintains wells at various locations which have an estimated cost of retirement of \$2.6 million when they are removed from service.

Effective January 1, 2015, the City implemented Statement No. 68, *Accounting and Financial Reporting for Pensions*, of the Governmental Accounting Standards Board. The most significant effect of the City’s implementation of the standard was the reporting of net pension liabilities in the government-wide statement of net position. Previously, in accordance with generally accepted accounting principles, the City reported roughly similar measures – unfunded actuarial accrued liabilities – as required supplementary information (i.e., not on the face of the government-wide statement of net position). As shown in Table 5 above, the recognition of net pension liabilities resulted in the placement of \$526.5 million of long-term liabilities on government-wide statement of net position as of December 31, 2019.

Effective January 1, 2016, the City implemented Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, of the Governmental Accounting Standards Board. The most significant effect of the City’s implementation of the standard was the reporting of net postemployment benefit liabilities in the government-wide statement of net position. Previously, in accordance with generally accepted accounting principles, the City reported roughly similar measures – unfunded actuarial accrued liabilities – as required supplementary information (i.e., not on the face of the government-wide statement of net position). As shown in Table 5 above, the recognition of net other post-employment benefit liabilities resulted in the placement of \$193.1 million of long-term liabilities on the government-wide statement of net position as of December 31, 2019. The net increase in the liability is primarily

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

due to normal census updates and differences between expected and actual experience in the actuarial valuation.

Standard and Poor’s states the major credit weakness of the City is Aurora’s large unfunded pension and OPEB obligation, without a plan to sufficiently address it.

For more detailed information on the City’s bonded and similar indebtedness, see Note 5 in the notes to the financial statements.

Economic Factors

The City’s property tax base possesses significant commercial and industrial components. The value of commercial and industrial properties comprised 16.8% and 10.5%, respectively, of the City’s total 2018 EAV of \$3.9 billion. The 2014 – 2018 American Community Survey conducted by the United States Bureau of the Census found that 90.2% of residential properties had a value of \$100,000 or more. The median home value was \$193,900. Property taxes imposed on property within the City’s corporate limits provide a stable revenue source. The property of the City’s ten largest taxpayers during 2018 accounted for only 7.1% of the City’s total EAV.

The City receives revenue from a variety of sources other than property taxes. Two major sales tax generators exist within the community. Since the 1970s, the Fox Valley Mall has been the City’s retail anchor. The mall is a 1.4 million square foot structure comprised of 150 stores. In mid-2004, Chicago Premium Outlets was added to the tax base. After an expansion completed in 2015, this upscale, fashion-oriented outlet center now spans 725,000 square feet with space for over 170 stores.

Numerous economic development initiatives have been started since 2017, but will not be completed until 2020 and beyond. The City has begun the redevelopment of the Yorkshire shopping center with a new investment of approximately \$20 million to convert this traditional retail venue into an experience-based center drawing visitors from the entire Chicago region. The Paramount Theater in Downtown Aurora continues to expand with the creation of the Paramount School of Performing Arts. Property values have increased in Aurora through a combination of increasing taxable property through new construction and based on re-assessments of current property by all Township Assessors. Other redevelopment projects in the downtown area include renovation of the Terminal, Hobbs, and Keystone buildings in addition to the cleanup and redevelopment of the former Copley Hospital into a multi-use facility including a pharmacy, health care facility, senior and disabled living unit and the new administration building for the East Aurora School District.

According to the American Community Survey, the estimated median annual income for Aurora households between 2014 and 2018 was \$69,730. This compares favorably with the statewide figure of \$65,030.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

The 2010 census found that Aurora’s population was 197,899. This was a 38.4% increase over the 2000 population of 142,990. The increased census count has entitled the City to larger portions of state-shared revenue such as income taxes and motor fuel taxes. The City now estimates that its population has surpassed 200,000. During 2019 the Aurora Complete Count Committee was established to increase awareness and motivate residents to participate in the 2020 census.

Future Outlook

In March 2020 the World Health Organization characterized the COVID-19 outbreak as a pandemic. This outbreak in the United States has caused business disruption through mandatory and voluntary closings. While this is expected to be temporary, there is considerable uncertainty around the ultimate duration and the related financial impact. The coronavirus pandemic has significantly affected the financial markets and the City is likely to suffer investment losses in 2020 as well as reduced revenue levels.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Mr. Martin S. Lyons, Chief Financial Officer/City Treasurer, City of Aurora, 44 East Downer Place, Aurora, Illinois 60507.

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2019

| | Primary Government | | | Component |
|--|--------------------|--------------------|----------------------|--------------------------|
| | Governmental | Business-Type | Total | Unit |
| | Activities | Activities | | Aurora Public Library |
| ASSETS | | | | |
| Cash and Investments | \$ 141,263,746 | \$ 20,090,901 | \$ 161,354,647 | \$ 9,137,385 |
| Restricted Cash and Investments | - | 4,039,458 | 4,039,458 | - |
| Receivables (Net of Allowance Where Applicable) | | | | |
| Property Taxes | | | | |
| General and Pension Levies | 80,196,757 | - | 80,196,757 | 14,586,988 |
| Special Service Areas Levies | 796,820 | - | 796,820 | - |
| Other Taxes | 17,351,028 | - | 17,351,028 | - |
| Utility Customers | - | 6,441,759 | 6,441,759 | - |
| Loans Receivable | 3,028,611 | - | 3,028,611 | - |
| Interest | 247,977 | 47,424 | 295,401 | - |
| Miscellaneous | 6,414,075 | 103,256 | 6,517,331 | - |
| Pledge | - | - | - | 1,181,590 |
| Land Held for Resale | 386,406 | - | 386,406 | - |
| Inventory | - | 226,974 | 226,974 | - |
| Due from Other Governments | 4,068,604 | 5,332,967 | 9,401,571 | 268,822 |
| Internal Balances | (165) | 165 | - | - |
| Prepaid Items | 29,177 | 400 | 29,577 | 62,396 |
| Capital Assets | | | | |
| Nondepreciable | 192,184,777 | 28,656,459 | 220,841,236 | 3,378,686 |
| Depreciable (Net of Accumulated Depreciation) | 343,853,447 | 220,985,432 | 564,838,879 | 34,241,235 |
| Total Assets | 789,821,260 | 285,925,195 | 1,075,746,455 | 62,857,102 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Unamortized Loss on Refunding | 511,565 | - | 511,565 | 73 |
| Pension Items - IMRF | 23,823,344 | 6,303,098 | 30,126,442 | 3,670,329 |
| OPEB Items | 88,708,816 | 8,124,463 | 96,833,279 | 21,669 |
| Pension Items - Pension Trust Funds | 90,925,614 | - | 90,925,614 | - |
| Asset Retirement Obligation | - | 2,579,042 | 2,579,042 | - |
| Total Deferred Outflows of Resources | 203,969,339 | 17,006,603 | 220,975,942 | 3,692,071 |
| Total Assets and Deferred Outflows of Resources | 993,790,599 | 302,931,798 | 1,296,722,397 | 66,549,173 |

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2019

| | Primary Government | | | Component |
|--|--------------------|----------------|----------------|--------------------------|
| | Governmental | Business-Type | Total | Unit |
| | Activities | Activities | | Aurora Public Library |
| LIABILITIES | | | | |
| Accounts Payable | \$ 11,679,145 | \$ 2,805,756 | \$ 14,484,901 | \$ 236,076 |
| Accrued Payroll | 9,262,216 | 721,502 | 9,983,718 | 176,962 |
| Retainage Payable | 546,522 | 175,364 | 721,886 | - |
| Accrued Interest Payable | 13,983 | 85,272 | 99,255 | - |
| Line of Credit | 7,500,000 | - | 7,500,000 | - |
| Unearned Revenue | 8,876,165 | 603,489 | 9,479,654 | - |
| Due to Other Governments | 223,467 | 19,989 | 243,456 | - |
| Due to Component Unit | 1,708 | - | 1,708 | - |
| Due to Trust/Agency | - | - | - | - |
| Deposits Payable | 2,424,285 | 849,283 | 3,273,568 | - |
| Noncurrent Liabilities | | | | |
| Due Within One Year | 14,997,113 | 1,966,940 | 16,964,053 | 651,843 |
| Due in More than One Year | 836,986,989 | 58,013,961 | 895,000,950 | 24,434,991 |
| | | | | |
| Total Liabilities | 892,511,593 | 65,241,556 | 957,753,149 | 25,499,872 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Revenue | 80,906,024 | - | 80,906,024 | 14,574,137 |
| Unamortized Gain on Refunding | 665,532 | - | 665,532 | - |
| Pension Items - IMRF | 4,928,377 | 1,303,932 | 6,232,309 | 759,286 |
| OPEB Items | 24,198,757 | 2,216,261 | 26,415,018 | 212,900 |
| Pension Items - Pension Trust Funds | 31,629,931 | - | 31,629,931 | - |
| | | | | |
| Total Deferred Inflows of Resources | 142,328,621 | 3,520,193 | 145,848,814 | 15,546,323 |
| | | | | |
| Total Liabilities and Deferred Inflows of Resources | 1,034,840,214 | 68,761,749 | 1,103,601,963 | 41,046,195 |
| NET POSITION (DEFICIT) | | | | |
| Net Investment in Capital Assets | 420,731,808 | 229,441,733 | 650,173,541 | 19,357,805 |
| Restricted Nonexpendable for | | | | |
| Working Cash | 463,739 | - | 463,739 | - |
| Restricted Expendable for | | | | |
| Debt Service | 3,054,307 | 4,039,458 | 7,093,765 | 148,798 |
| Capital Improvements | - | - | - | 3,550,296 |
| Public Safety | 14,517,878 | - | 14,517,878 | - |
| Streets and Transportation | 11,745,566 | - | 11,745,566 | - |
| Health and Welfare | 7,443,193 | - | 7,443,193 | - |
| Economic Development | 8,872,663 | - | 8,872,663 | - |
| Unrestricted | (507,878,769) | 688,858 | (507,189,911) | 2,446,079 |
| | | | | |
| TOTAL NET POSITION (DEFICIT) | \$ (41,049,615) | \$ 234,170,049 | \$ 193,120,434 | \$ 25,502,978 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues | | |
|--------------------------------------|-----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General Government | \$ 16,840,516 | \$ 3,713,348 | \$ 2,180 | \$ - |
| Public Safety | 180,505,073 | 9,914,171 | 1,771,417 | - |
| Streets and Transportation | 35,912,378 | 896,210 | 6,559,871 | 1,481,223 |
| Health and Welfare | 13,954,580 | 14,085,828 | 1,790,423 | - |
| Culture and Recreation | 7,375,961 | 212,262 | 239,908 | 315,566 |
| Economic Development | 29,371,635 | 21,137 | - | 32,749 |
| Interest | 4,698,325 | - | 142,705 | - |
| Total Governmental Activities | 288,658,468 | 28,842,956 | 10,506,504 | 1,829,538 |
| Business-Type Activities | | | | |
| Water and Sewer | 31,140,904 | 36,451,546 | - | 3,034,477 |
| Airport | 2,264,462 | 863,013 | 29,048 | - |
| Downtown Parking | 1,382,399 | 729,909 | - | - |
| Commuter Parking | 2,822,761 | 2,320,833 | - | - |
| Golf Operations | 1,452,773 | 1,099,687 | - | - |
| Total Business-Type Activities | 39,063,299 | 41,464,988 | 29,048 | 3,034,477 |
| TOTAL PRIMARY GOVERNMENT | \$ 327,721,767 | \$ 70,307,944 | \$ 10,535,552 | \$ 4,864,015 |
| COMPONENT UNIT | | | | |
| Aurora Public Library and Foundation | \$ 12,192,670 | \$ 139,028 | \$ 267,489 | \$ 384,123 |

| Net (Expense) Revenue and Change in Net Position | | | | |
|---|-------------------------------------|-----------------------|--------------------------------------|---------------------------|
| Primary Government | | | | Component Unit |
| Governmental Activities | Business-Type Activities | Total | Aurora Public Library | |
| \$ (13,124,988) | \$ - | \$ (13,124,988) | \$ - | |
| (168,819,485) | - | (168,819,485) | - | |
| (26,975,074) | - | (26,975,074) | - | |
| 1,921,671 | - | 1,921,671 | - | |
| (6,608,225) | - | (6,608,225) | - | |
| (29,317,749) | - | (29,317,749) | - | |
| (4,555,620) | - | (4,555,620) | - | |
| (247,479,470) | - | (247,479,470) | - | |
| - | 8,345,119 | 8,345,119 | - | |
| - | (1,372,401) | (1,372,401) | - | |
| - | (652,490) | (652,490) | - | |
| - | (501,928) | (501,928) | - | |
| - | (353,086) | (353,086) | - | |
| - | 5,465,214 | 5,465,214 | - | |
| (247,479,470) | 5,465,214 | (242,014,256) | - | |
| - | - | - | (11,402,030) | |
| General Revenues | | | | |
| Taxes | | | | |
| Property and Replacement | 87,706,136 | - | 87,706,136 | 12,459,873 |
| Sales | 50,049,603 | 673,292 | 50,722,895 | - |
| Utility | 13,800,971 | - | 13,800,971 | - |
| Income | 21,064,181 | - | 21,064,181 | - |
| Real Estate Transfer | 2,934,406 | - | 2,934,406 | - |
| Food and Beverage Tax | 5,175,977 | - | 5,175,977 | - |
| Gaming Tax | 7,180,274 | - | 7,180,274 | - |
| Hotel/Motel | 496,223 | - | 496,223 | - |
| Other | 3,101,322 | - | 3,101,322 | - |
| Investment Income | 2,482,088 | 634,975 | 3,117,063 | 425,061 |
| Gain (Loss) on Sale of Assets | - | 5,503,194 | 5,503,194 | - |
| Miscellaneous | 3,865,077 | 80,225 | 3,945,302 | 260,001 |
| Transfers | 8,910,000 | (8,910,000) | - | - |
| Total | 206,766,258 | (2,018,314) | 204,747,944 | 13,144,935 |
| CHANGE IN NET POSITION | (40,713,212) | 3,446,900 | (37,266,312) | 1,742,905 |
| NET POSITION (DEFICIT), JANUARY 1 | (336,403) | 230,723,149 | 230,386,746 | 23,760,073 |
| NET POSITION (DEFICIT), DECEMBER 31 | \$ (41,049,615) | \$ 234,170,049 | \$ 193,120,434 | \$ 25,502,978 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2019

| | General | Debt Service | Other Governmental Funds | Total Governmental Funds |
|--|-----------------------|-------------------------|---|---|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 31,536,588 | \$ 3,055,042 | \$ 73,646,818 | \$ 108,238,448 |
| Receivables (Net of Allowance Where Applicable) | | | | |
| Property Taxes | | | | |
| General and Pension Levies | 76,236,757 | 3,960,000 | - | 80,196,757 |
| Special Service Areas Levies | - | - | 796,820 | 796,820 |
| Other Taxes | 16,453,756 | - | 897,272 | 17,351,028 |
| Loans Receivable | - | - | 3,028,611 | 3,028,611 |
| Interest | 5,717 | - | 140,813 | 146,530 |
| Miscellaneous | 1,184,133 | - | 5,217,379 | 6,401,512 |
| Land Held for Resale | - | - | 386,406 | 386,406 |
| Due from Other Governments | 418,598 | - | 3,650,006 | 4,068,604 |
| Due from Other Funds | - | - | 976,594 | 976,594 |
| Prepaid Items | 27,727 | - | 1,450 | 29,177 |
| Total Assets | 125,863,276 | 7,015,042 | 88,742,169 | 221,620,487 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 125,863,276 | \$ 7,015,042 | \$ 88,742,169 | \$ 221,620,487 |

| | General | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|-----------------------|---------------------|--------------------------------|--------------------------------|
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 3,469,992 | \$ 735 | \$ 7,921,098 | \$ 11,391,825 |
| Accrued Payroll | 9,130,410 | - | - | 9,130,410 |
| Retainage Payable | - | - | 541,522 | 541,522 |
| Deposits Payable | 2,423,535 | - | 750 | 2,424,285 |
| Interest Payable | - | - | 13,983 | 13,983 |
| Line of Credit | - | - | 7,500,000 | 7,500,000 |
| Unearned Revenue | 857,485 | - | 8,018,680 | 8,876,165 |
| Due to Other Funds | 165 | - | 976,594 | 976,759 |
| Due to Component Unit | 1,708 | - | - | 1,708 |
| Due to Other Governments | 134,894 | - | 88,573 | 223,467 |
| Total Liabilities | 16,018,189 | 735 | 25,061,200 | 41,080,124 |
| D Unavailable Revenue - Property Taxes | 76,181,391 | 3,960,000 | 764,633 | 80,906,024 |
| Total Deferred Inflows of Resources | 76,181,391 | 3,960,000 | 764,633 | 80,906,024 |
| Total Liabilities and Deferred Inflows of Resources | 92,199,580 | 3,960,735 | 25,825,833 | 121,986,148 |
| F Nonspendable | | | | |
| Prepaid Items | 27,727 | - | 1,450 | 29,177 |
| Restricted | | | | |
| Debt Service | - | 3,054,307 | - | 3,054,307 |
| Working Cash | - | - | 463,739 | 463,739 |
| Public Safety | - | - | 14,517,878 | 14,517,878 |
| Streets and Transportation | - | - | 11,745,566 | 11,745,566 |
| Health and Welfare | - | - | 7,443,193 | 7,443,193 |
| Economic Development | - | - | 8,872,663 | 8,872,663 |
| Capital Projects | - | - | 5,775,714 | 5,775,714 |
| Unrestricted | | | | |
| Assigned | | | | |
| Public Safety | - | - | 145,804 | 145,804 |
| Health and Welfare | - | - | 953,694 | 953,694 |
| Capital Projects | - | - | 15,164,776 | 15,164,776 |
| Tourism | 1,051,197 | - | - | 1,051,197 |
| Unassigned (Deficit) | 32,584,772 | - | (2,168,141) | 30,416,631 |
| Total Fund Balances | 33,663,696 | 3,054,307 | 62,916,336 | 99,634,339 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 125,863,276 | \$ 7,015,042 | \$ 88,742,169 | \$ 221,620,487 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2019

| | |
|--|-------------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 99,634,339 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds | 536,038,224 |
| Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level | |
| Premiums | (1,667,007) |
| Loss on refundings | 511,565 |
| Gain on refundings | (665,532) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds | |
| General obligation bonds | (106,330,000) |
| Tax increment revenue bonds | (8,165,000) |
| Debt certificates | (395,000) |
| Installment Contracts | (3,000,000) |
| Illinois EPA loan | (6,359,703) |
| Line of Credit | (7,495,408) |
| Compensated absences | (20,178,310) |
| Insurance claims payable | (5,593,183) |
| Less amounts included in internal service funds below | 25,771,493 |
| Net other postemployment benefits liability is shown as a liability on the statement of net position | (176,908,763) |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for other postemployment benefits are recognized as deferred outflows and inflows of resources on the statement of net position | 64,510,059 |
| Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position | (40,305,428) |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources on the statement of net position | 18,894,967 |
| Net pension liability for the Pension Trust Funds is shown as a liability on the statement of net position | (475,586,300) |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Pension Trust Funds are recognized as deferred outflows and inflows of resources on the statement of net position | 59,295,683 |
| The net position of the internal service funds is included in the governmental activities in the statement of net position | <u>6,943,689</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ (41,049,615)</u> |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

| | General | Debt Service | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|-------------------------|---|---|
| REVENUES | | | | |
| Property Taxes | \$ 73,842,794 | \$ 4,038,909 | \$ 5,860,996 | \$ 83,742,699 |
| Other Taxes | 91,783,837 | 2,934,406 | 13,803,886 | 108,522,129 |
| Intergovernmental | 1,318,474 | 142,705 | 10,022,929 | 11,484,108 |
| Licenses, Fees and Permits | 9,000,790 | - | 189,102 | 9,189,892 |
| Charges for Services | 6,547,957 | - | 11,081,674 | 17,629,631 |
| Fines and Forfeits | 4,515,397 | - | - | 4,515,397 |
| Investment Income | 510,400 | 97,945 | 1,873,743 | 2,482,088 |
| Other | 407,800 | - | 323,953 | 731,753 |
| Total Revenues | 187,927,449 | 7,213,965 | 43,156,283 | 238,297,697 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 24,376,617 | - | 844,366 | 25,220,983 |
| Public Safety | 131,433,919 | - | 3,563,170 | 134,997,089 |
| Streets and Transportation | 11,760,544 | - | 10,991,182 | 22,751,726 |
| Health and Welfare | 6,470,162 | - | 4,052,618 | 10,522,780 |
| Culture and Recreation | 5,736,956 | - | 796,196 | 6,533,152 |
| Economic Development | 1,916,270 | - | 25,310,999 | 27,227,269 |
| Capital Outlay | - | - | 14,593,794 | 14,593,794 |
| Debt Service | | | | |
| Principal | - | 6,280,000 | 2,417,165 | 8,697,165 |
| Interest and Other Charges | - | 3,778,011 | 946,249 | 4,724,260 |
| Total Expenditures | 181,694,468 | 10,058,011 | 63,515,739 | 255,268,218 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 6,232,981 | (2,844,046) | (20,359,456) | (16,970,521) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 2,900,000 | 4,335,400 | 9,601,400 | 16,836,800 |
| Transfers (Out) | - | - | (7,926,800) | (7,926,800) |
| Bonds Issued | - | 7,645,000 | - | 7,645,000 |
| Premium on Bonds Issued | - | 601,942 | - | 601,942 |
| Payment to Escrow Agent | - | (8,243,111) | - | (8,243,111) |
| Proceeds from Lines of Credit | - | - | 7,495,408 | 7,495,408 |
| Total Other Financing Sources (Uses) | 2,900,000 | 4,339,231 | 9,170,008 | 16,409,239 |
| NET CHANGE IN FUND BALANCES | 9,132,981 | 1,495,185 | (11,189,448) | (561,282) |
| FUND BALANCES, JANUARY 1 | 24,530,715 | 1,559,122 | 74,105,784 | 100,195,621 |
| FUND BALANCES, DECEMBER 31 | \$ 33,663,696 | \$ 3,054,307 | \$ 62,916,336 | \$ 99,634,339 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

| | |
|--|-------------------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ (561,282) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities, and contributed capital assets are reported on the statement of activities | 25,946,217 |
| Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities | (85,005) |
| The issuance of long-term debt and related costs is shown on the fund financial statements as other financing sources but is recorded as a long-term liability on the government-wide statements | |
| Tax increment revenue bonds | (7,645,000) |
| Payment to escrow agent | 8,115,000 |
| Line of Credit | (7,495,408) |
| The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities | 8,697,165 |
| Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds | |
| Depreciation | (14,570,220) |
| Amortization of bond premiums | (474,351) |
| Amortization of gain or loss on refunding | 26,455 |
| The change in the net other postemployment benefit liability is reported only in the statement of activities | (14,539,606) |
| The change in deferred inflows and outflows of resources for other postemployment benefits is reported only in the statement of activities | (6,799,404) |
| The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities | (26,870,572) |
| The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities | 25,109,102 |
| The change in the net pension liability for the Pension Trust Funds is reported only in the statement of activities | (19,137,053) |
| The change in deferred inflows and outflows for the Pension Trust Fund is reported only in the statement of activities | (10,729,714) |
| The change in net position of internal service funds is reported with governmental activities | <u>300,464</u> |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u><u>\$ (40,713,212)</u></u> |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

December 31, 2019

| | Business-Type Activities | | | | Governmental |
|--|--------------------------|-------------------|---------------------|--------------------|-------------------|
| | Major Funds | | Other | Total | Internal |
| | Water and Sewer Fund | Airport | Enterprise Funds | | Service Funds |
| CURRENT ASSETS | | | | | |
| Cash and Investments | \$ 16,606,805 | \$ 1,563,347 | \$ 1,920,749 | \$ 20,090,901 | \$ 33,025,298 |
| Restricted Cash and Investments | 4,039,458 | - | - | 4,039,458 | - |
| Receivables | | | | | |
| Accounts (Net of Allowance) | 6,264,228 | 14,517 | 163,014 | 6,441,759 | - |
| Interest | 46,841 | - | 583 | 47,424 | 101,447 |
| Miscellaneous | - | 103,256 | - | 103,256 | 12,563 |
| Prepays | - | - | 400 | 400 | - |
| Due from Other Governments | 224,136 | - | 88,506 | 312,642 | - |
| Due from Other Funds | 125 | - | 40 | 165 | - |
| Inventory | 226,974 | - | - | 226,974 | - |
| Total Current Assets | 27,408,567 | 1,681,120 | 2,173,292 | 31,262,979 | 33,139,308 |
| NONCURRENT ASSETS | | | | | |
| Due from Other Governments | 5,003,944 | 16,381 | - | 5,020,325 | - |
| Capital Assets | | | | | |
| Nondepreciable | 4,655,195 | 13,317,630 | 10,683,634 | 28,656,459 | - |
| Depreciable (Net of Accumulated Depreciation) | 192,092,940 | 17,688,443 | 11,204,049 | 220,985,432 | - |
| Total Capital Assets | 196,748,135 | 31,006,073 | 21,887,683 | 249,641,891 | - |
| Total Noncurrent Assets | 201,752,079 | 31,022,454 | 21,887,683 | 254,662,216 | - |
| Total Assets | 229,160,646 | 32,703,574 | 24,060,975 | 285,925,195 | 33,139,308 |
| DEFERRED OUTFLOW OF RESOURCES | | | | | |
| Pension Items - IMRF | 5,235,120 | 50,696 | 1,017,282 | 6,303,098 | - |
| OPEB Items | 6,827,320 | 119,980 | 1,177,163 | 8,124,463 | - |
| Asset Retirement Obligation | 2,579,042 | - | - | 2,579,042 | - |
| Total Deferred Outflows of Resources | 14,641,482 | 170,676 | 2,194,445 | 17,006,603 | - |
| Total Assets and Deferred Outflows of Resources | 243,802,128 | 32,874,250 | 26,255,420 | 302,931,798 | 33,139,308 |

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

PROPRIETARY FUNDS

December 31, 2019

| | Business-Type Activities | | | | Governmental |
|---|--------------------------|----------------------|----------------------|-----------------------|---------------------|
| | Major Funds | | Other | Total | Internal |
| | Water and Sewer Fund | Airport | Enterprise Funds | | Service Funds |
| CURRENT LIABILITIES | | | | | |
| Accounts Payable | \$ 2,581,958 | \$ 68,847 | \$ 154,951 | \$ 2,805,756 | \$ 287,320 |
| Accrued Payroll | 602,661 | 6,316 | 112,525 | 721,502 | 131,806 |
| Retainage Payable | 162,388 | - | 12,976 | 175,364 | 5,000 |
| Accrued Interest Payable | 85,272 | - | - | 85,272 | - |
| Other Unearned Revenue | 469,860 | 16,021 | 117,608 | 603,489 | - |
| Due to Other Governments | 19,989 | - | - | 19,989 | - |
| Deposits Payable | 849,283 | - | - | 849,283 | - |
| Claims Payable | - | - | - | - | 5,593,183 |
| Compensated Absences Payable | 83,248 | 1,394 | 16,754 | 101,396 | 1,008,916 |
| Illinois EPA Loan Payable, Due Within One Year | 815,544 | - | - | 815,544 | - |
| Bonds Payable, Due Within One Year | 1,050,000 | - | - | 1,050,000 | - |
| Total Current Liabilities | 6,720,203 | 92,578 | 414,814 | 7,227,595 | 7,026,225 |
| NONCURRENT LIABILITIES | | | | | |
| Compensated Absences Payable | 1,581,717 | 26,479 | 318,341 | 1,926,537 | 19,169,394 |
| Net Other Postemployment Benefits Liability | 13,615,476 | 239,272 | 2,347,571 | 16,202,319 | - |
| Net Pension Liability - IMRF | 8,857,018 | 85,768 | 1,721,086 | 10,663,872 | - |
| Claims Payable | - | - | - | - | - |
| Asset Retirement Obligation | 2,625,000 | - | - | 2,625,000 | - |
| Illinois EPA Loan Payable (Less Current Portion) | 3,191,041 | - | - | 3,191,041 | - |
| Bonds Payable (Less Current Portion) | 23,405,192 | - | - | 23,405,192 | - |
| Total Noncurrent Liabilities | 53,275,444 | 351,519 | 4,386,998 | 58,013,961 | 19,169,394 |
| Total Liabilities | 59,995,647 | 444,097 | 4,801,812 | 65,241,556 | 26,195,619 |
| DEFERRED INFLOW OF RESOURCES | | | | | |
| Pension Items - IMRF | 1,082,998 | 10,487 | 210,447 | 1,303,932 | - |
| OPEB Items | 1,862,414 | 32,729 | 321,118 | 2,216,261 | - |
| Total Deferred Inflows of Resources | 2,945,412 | 43,216 | 531,565 | 3,520,193 | - |
| Total Liabilities and Deferred Inflows of Resources | 62,941,059 | 487,313 | 5,333,377 | 68,761,749 | 26,195,619 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets Restricted for Debt Service | 176,547,977 | 31,006,073 | 21,887,683 | 229,441,733 | - |
| Unrestricted (Deficit) | 4,039,458 | - | - | 4,039,458 | - |
| | 273,634 | 1,380,864 | (965,640) | 688,858 | 6,943,689 |
| TOTAL NET POSITION | \$ 180,861,069 | \$ 32,386,937 | \$ 20,922,043 | \$ 234,170,049 | \$ 6,943,689 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended December 31, 2019

| | Business-Type Activities | | | | Governmental |
|---|--------------------------|----------------------|----------------------|-----------------------|---------------------|
| | Major Funds | | Other | Total | Internal |
| | Water and Sewer Fund | Airport | Enterprise Funds | | Service Funds |
| OPERATING REVENUES | | | | | |
| Charges for Services | \$ 36,451,546 | \$ 863,013 | \$ 4,150,429 | \$ 41,464,988 | \$ 27,213,799 |
| Total Operating Revenues | 36,451,546 | 863,013 | 4,150,429 | 41,464,988 | 27,213,799 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | | | | |
| Personnel Services | 12,277,910 | 182,877 | 2,507,149 | 14,967,936 | - |
| Materials and Supplies | 4,943,608 | 96,473 | 508,820 | 5,548,901 | - |
| Other Services and Charges | 7,919,182 | 549,449 | 1,862,097 | 10,330,728 | 27,718,630 |
| Miscellaneous | - | 16,194 | - | 16,194 | - |
| Total Operating Expenses Excluding Depreciation | 25,140,700 | 844,993 | 4,878,066 | 30,863,759 | 27,718,630 |
| OPERATING INCOME (LOSS) BEFORE DEPRECIATION | 11,310,846 | 18,020 | (727,637) | 10,601,229 | (504,831) |
| Depreciation | 5,066,690 | 1,419,469 | 769,591 | 7,255,750 | - |
| OPERATING INCOME (LOSS) | 6,244,156 | (1,401,449) | (1,497,228) | 3,345,479 | (504,831) |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Sales Tax | - | 362,542 | 310,750 | 673,292 | - |
| Intergovernmental | - | 29,048 | - | 29,048 | - |
| Investment Income | 504,579 | 30,195 | 100,201 | 634,975 | 805,295 |
| Recovery of Cost | 80,225 | - | - | 80,225 | - |
| Gain on Sale of Assets | 5,470,000 | - | 33,194 | 5,503,194 | - |
| Interest Expense | (933,514) | - | (10,276) | (943,790) | - |
| Total Non-Operating Revenues (Expenses) | 5,121,290 | 421,785 | 433,869 | 5,976,944 | 805,295 |
| INCOME (LOSS) BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS | 11,365,446 | (979,664) | (1,063,359) | 9,322,423 | 300,464 |
| TRANSFERS | | | | | |
| Transfers (Out) | (4,500,000) | - | (4,410,000) | (8,910,000) | - |
| Total Transfers | (4,500,000) | - | (4,410,000) | (8,910,000) | - |
| CAPITAL GRANTS AND CONTRIBUTIONS | 3,034,477 | - | - | 3,034,477 | - |
| CHANGE IN NET POSITION | 9,899,923 | (979,664) | (5,473,359) | 3,446,900 | 300,464 |
| NET POSITION, JANUARY 1 | 170,961,146 | 33,366,601 | 26,395,402 | 230,723,149 | 6,643,225 |
| NET POSITION, DECEMBER 31 | \$ 180,861,069 | \$ 32,386,937 | \$ 20,922,043 | \$ 234,170,049 | \$ 6,943,689 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended December 31, 2019

| | Business-Type Activities | | | Total | Governmental |
|---|--------------------------|--------------|------------------------|---------------|---------------|
| | Major Funds | | Other Enterprise Funds | | Internal |
| | Water and Sewer Fund | Airport | | | Service Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from Customers and Users | \$ 36,561,134 | \$ 855,133 | \$ 4,142,642 | \$ 41,558,909 | \$ 3,376,862 |
| Receipts from Interfund Services | - | - | - | - | 23,893,437 |
| Payments to Suppliers | (9,431,084) | (802,948) | (2,107,280) | (12,341,312) | (28,230,220) |
| Overhead Payments to Other Funds | (2,685,798) | - | (256,844) | (2,942,642) | - |
| Payments to Employees | (10,813,624) | (173,568) | (2,336,019) | (13,323,211) | (2,033,532) |
| Net Cash from Operating Activities | 13,630,628 | (121,383) | (557,501) | 12,951,744 | (2,993,453) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Recovery of Costs | 80,225 | - | - | 80,225 | - |
| Sales Taxes | - | 362,542 | 249,469 | 612,011 | - |
| Intergovernmental Income | 220,874 | 153,127 | - | 374,001 | - |
| Due from Other Funds | 25 | - | (40) | (15) | - |
| Transfers In | - | - | - | - | - |
| Transfers (Out) | (4,500,000) | - | (4,410,000) | (8,910,000) | - |
| Net Cash from Noncapital Financing Activities | (4,198,876) | 515,669 | (4,160,571) | (7,843,778) | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Property, Plant and Equipment Acquired or Constructed | (5,566,565) | (21,790) | (78,911) | (5,667,266) | - |
| Principal Paid on Bonds and Illinois EPA Loans | (1,834,166) | - | (410,000) | (2,244,166) | - |
| Proceeds from the Sale of Capital Assets | 6,020,000 | 469 | - | 6,020,469 | - |
| Interest and Fiscal Agents' Fees | (940,471) | - | (10,251) | (950,722) | - |
| Net Cash from Capital and Related Financing Activities | (2,321,202) | (21,321) | (499,162) | (2,841,685) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Proceeds from Sale and Maturities on Investment Securities | 4,000,000 | 150,000 | 4,700,000 | 8,850,000 | 10,829,000 |
| Purchase of Investment Securities | (8,000,000) | - | (5,209,207) | (13,209,207) | (10,324,186) |
| Interest on Investments | 425,910 | 33,195 | 85,784 | 544,889 | 656,126 |
| Net Cash from Investing Activities | (3,574,090) | 183,195 | (423,423) | (3,814,318) | 1,160,940 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 3,536,460 | 556,160 | (5,640,657) | (1,548,037) | (1,832,513) |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | 9,082,753 | 1,007,187 | 6,034,814 | 16,124,754 | 14,811,676 |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | \$ 12,619,213 | \$ 1,563,347 | \$ 394,157 | \$ 14,576,717 | \$ 12,979,163 |

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)

PROPRIETARY FUNDS

For the Year Ended December 31, 2019

| | Business-Type Activities | | | | Governmental |
|--|--------------------------|---------------------|---------------------|----------------------|-----------------------|
| | Major Funds | | Other | Total | Internal |
| | Water and Sewer Fund | Airport | Enterprise Funds | | Service Funds |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Operating Income (Loss) | \$ 6,244,156 | \$ (1,401,449) | \$ (1,497,228) | \$ 3,345,479 | \$ (504,831) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities | | | | | |
| Depreciation | 5,066,690 | 1,419,469 | 769,591 | 7,255,750 | - |
| (Increase) Decrease in | | | | | |
| Other Taxes | - | (7,970) | - | (7,970) | - |
| Accounts Receivable | 109,588 | 321 | (5,782) | 104,127 | 56,500 |
| Prepaid Expenses | - | - | (400) | (400) | 8,616 |
| Inventory | 47,630 | - | - | 47,630 | - |
| Deferred Outflows of Resources - ARO | (2,579,042) | - | - | (2,579,042) | - |
| Deferred Outflows of Resources - Pension Items - IMRF | (3,182,354) | 15,281 | (635,111) | (3,802,184) | - |
| Deferred Outflows of Resources - OPEB | 940,652 | (76,086) | 252,093 | 1,116,659 | - |
| Increase (Decrease) in | | | | | |
| Accounts Payable | 615,762 | (140,832) | 7,193 | 482,123 | 63,211 |
| Accrued Payroll | 58,131 | 823 | 3,697 | 62,651 | 86,275 |
| Retainage Payable | - | - | - | - | 5,000 |
| Claims Payable | - | - | - | - | (3,282,001) |
| Other Unearned Revenue | 2,360 | (231) | (2,005) | 124 | - |
| Deposits | 34,198 | - | - | 34,198 | - |
| Compensated Absences | (3,862) | 2,709 | (30,232) | (31,385) | 573,777 |
| Deferred Inflows of Resources - IMRF | (2,453,779) | (103,187) | (448,007) | (3,004,973) | - |
| Deferred Inflows of Resources - OPEB | (225,663) | 20,930 | (63,075) | (267,808) | - |
| Asset Retirement Obligation | 2,625,000 | - | - | 2,625,000 | - |
| Net Pension Liability - IMRF | 5,648,606 | (17,353) | 1,123,766 | 6,755,019 | - |
| Net Other Postemployment Benefits Liability | 682,555 | 166,192 | (32,001) | 816,746 | - |
| NET CASH FROM OPERATING ACTIVITIES | \$ 13,630,628 | \$ (121,383) | \$ (557,501) | \$ 12,951,744 | \$ (2,993,453) |
| CASH AND INVESTMENTS | | | | | |
| Cash and Cash Equivalents | \$ 12,619,213 | \$ 1,563,347 | \$ 394,157 | \$ 14,576,717 | \$ 12,979,163 |
| Investments | 8,027,050 | - | 1,526,592 | 9,553,642 | 20,046,135 |
| TOTAL CASH AND INVESTMENTS | \$ 20,646,263 | \$ 1,563,347 | \$ 1,920,749 | \$ 24,130,359 | \$ 33,025,298 |
| NONCASH TRANSACTIONS | | | | | |
| Contributions of Capital Assets | \$ 3,034,477 | \$ - | \$ - | \$ 3,034,477 | \$ - |
| Unrealized Gain on Investments | 24,979 | 7,528 | 5,575 | 38,082 | 290,653 |
| TOTAL NONCASH TRANSACTIONS | \$ 3,059,456 | \$ 7,528 | \$ 5,575 | \$ 3,072,559 | \$ 290,653 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

PENSION AND OPEB TRUST FUNDS

December 31, 2019

| | Pension and OPEB Trust Funds |
|--|---|
| ASSETS | |
| Cash and Short-Term Investments | \$ 27,032,423 |
| Investments, at Fair Value | |
| Fixed Income Securities | 158,624,007 |
| Domestic Equity Securities | 165,069,793 |
| International Equity Securities | 80,152,760 |
| Real Estate Investment Trusts | 46,562,615 |
| Blended Mutual Funds | 17,868,750 |
| Accrued Interest | 1,109,309 |
| Accounts Receivable | 226 |
| Pension Service Credit | 43,632 |
| Prepaid Expenses | 16,107 |
| | <hr/> |
| Total Assets | 496,479,622 |
| | <hr/> |
| LIABILITIES | |
| Accounts Payable | 103,330 |
| Deposits Payable | 86,092 |
| Benefits Payable | 503,738 |
| | <hr/> |
| Total Liabilities | 693,160 |
| | <hr/> |
| NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS | \$ 495,786,462 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PENSION AND OPEB TRUST FUNDS

For the Year Ended December 31, 2019

| | <u>Pension and OPEB Trust Funds</u> |
|--|--|
| ADDITIONS | |
| Contributions | |
| Employer Contributions | \$ 34,036,256 |
| Employee/Retiree Contributions | 5,942,722 |
| Charges for Services | - |
| | <hr/> |
| Total Contributions | 39,978,978 |
| | <hr/> |
| Investment Income | |
| Net Appreciation in Fair Value of Investments | 62,033,478 |
| Interest | 9,932,132 |
| | <hr/> |
| Total Investment Income | 71,965,610 |
| Less Investment Expense | (1,012,803) |
| | <hr/> |
| Net Investment Income | 70,952,807 |
| | <hr/> |
| Total Additions | 110,931,785 |
| | <hr/> |
| DEDUCTIONS | |
| Benefits | 36,425,198 |
| Administrative Expenses | 125,545 |
| Other Services and Charges | - |
| | <hr/> |
| Total Deductions | 36,550,743 |
| | <hr/> |
| NET INCREASE | 74,381,042 |
| NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS | |
| January 1 | <hr/> 421,405,420 |
| December 31 | <hr/> <hr/> \$ 495,786,462 |

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

INDEX TO NOTES TO FINANCIAL STATEMENTS

December 31, 2019

| <u>Footnote Number</u> | <u>Description</u> | <u>Page Number(s)</u> |
|----------------------------|--|---------------------------|
| 1 | Summary of Significant Accounting Policies | 21-30 |
| 2 | Property Taxes | 31 |
| 3 | Cash and Investments | 31-33 |
| 4 | Capital Assets | 33-35 |
| 5 | Long-Term Debt | 35-40 |
| 6 | Revenue Bonds | 41-42 |
| 7 | Short-Term Debt | 43 |
| 8 | Deferred Compensation Plan | 43 |
| 9 | Industrial and Mortgage Revenue Bonds | 43 |
| 10 | Defined Benefit Pension Plans | 44-69 |
| 11 | Risk Management | 69-71 |
| 12 | Contingent Liabilities | 71-72 |
| 13 | Development Assistance | 72 |
| 14 | Tax Abatements | 72 |
| 15 | Individual Fund Disclosures | 73-75 |
| 16 | Intergovernmental Agreement | 75-76 |
| 17 | Other Postemployment Benefits | 76-86 |
| 18 | Subsequent Event | 86 |
| 19 | Component Unit - Aurora Public Library | 86-91 |

CITY OF AURORA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Aurora, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated in 1857 and is a municipal corporation governed by an elected board under the mayor/council form of government. It is a "home rule" unit under the Illinois Constitution. As required by GAAP, these financial statements present the City (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government.

Police Pension Fund

The City's police employees participate in the Police Pension Fund, a fiduciary component unit of the City. The Police Pension Fund 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 by pension beneficiaries and two elected by active police employees constitute the pension board. The City is obligated to fund all Police Pension Fund costs not funded by the Police Pension Fund participants based upon actuarial valuations, which creates a financial burden on the City. 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, which results in the Police Pension Fund being fiscally dependent upon the City. The Police Pension Fund is reported as a pension trust fund. The Police Pension Fund plan issues a separate report that includes required supplementary information and trend information. This report can be obtained from the Treasurer of the plan at 44 E. Downer Place, Aurora, IL 60507-2067.

Firefighters' Pension Fund

The City's sworn firefighters participate in the Firefighters' Pension Fund, a fiduciary component unit of the City. The Firefighters' Pension Fund 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 by active fire employees constitute the pension board. The City is obligated to fund all

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Firefighters' Pension Fund costs not funded by the Firefighters' Pension Fund participants based upon actuarial valuations, which creates a financial burden on the City. 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, which results in the Firefighters' Pension Fund being fiscally dependent on the City. The Firefighters' Pension Fund is reported as a pension trust fund. The Firefighters' Pension Fund plan issues a separate report that includes required supplementary information and trend information. This report can be obtained from the Treasurer of the plan at 44 E. Downer Place, Aurora, IL 60507-2067.

Retiree Health Insurance Trust Fund

The Retiree Health Insurance Trust Fund (OPEB) was created to provide health insurance benefits to qualified retirees of the City, in accordance with a retiree health insurance plan established by the City. The OPEB is a trust fund of the City operated in accordance with Section 115(1) of the Internal Revenue Code. It was established on December 19, 2006 pursuant to a trust document approved by the City Council. The OPEB is governed by a five-member Board of Trustees all of whom are appointed by the City. Accordingly, the OPEB meets the definition of a fiduciary component unit and is reported as an OPEB trust fund in these financial statements. The OPEB plan issues a separate report that includes required supplementary information and trend information. This report can be obtained from the Treasurer of the plan at 44 E. Downer Place, Aurora, IL 60507-2067.

Discretely Presented Component Unit

The component unit column in the basic financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

The Aurora Public Library

The Aurora Public Library (the Library) operates and maintains the City's public library facilities. The Library's Board of Trustees is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt without the City Council's approval and its annual budget and property tax levy request are subject to the City Council's approval. Separate audited financial statements as of December 31, 2019 are available from the Library's administrative offices located at 101 S. River Street, Aurora, Illinois 60505 or at www.aurorapubliclibrary.org.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

The City uses funds to report on its financial position and changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for fiduciary activities (e.g. assets held on behalf of outside parties, including other governments). The City utilizes pension trust funds which are generally used to account for assets that the City holds in a fiduciary capacity or on behalf of others as their agent.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Debt Service Fund accounts for the City's principal and interest payments related to general government debt issued. Management has elected to report the Debt Service Fund as a major fund.

The City reports the following major proprietary funds:

The Water and Sewer Fund accounts for the activities of the water operations and sewer collection system. The City operates the water treatment plant, sewerage pumping stations and collection systems and the water distribution system.

The Airport Fund accounts for the activities of the Aurora Municipal Airport.

Additionally, the City reports the following proprietary fund type:

Internal Service Funds account for the City's self-insured property, casualty, workers' compensation, general liability and health insurance programs and the employee benefits, including vacation, sick leave and severance provided to other departments or agencies of the City on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities.

The City reports pension and other postemployment benefit (OPEB) trust funds as fiduciary funds to account for the Police Pension Fund, Firefighters' Pension Fund and Retiree Health Insurance Trust Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, unless due the first day of the following fiscal year.

Property taxes, sales taxes and telecommunication taxes owed to the state at year end, utility taxes, franchise taxes, licenses, charges for services, food and beverage taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the City.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The City reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or year intended to finance criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the unavailable/unearned/deferred revenue is removed from the financial statements and revenue is recognized.

E. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

F. Property Taxes

Property taxes are recognized as receivable in the year that they attach as an enforceable lien and are levied. Funds utilizing the modified accrual basis of accounting treat property taxes receivable as unavailable revenue until the measurable and available criteria have been met (the year intended to finance and collected within 60 days after year end). On the accrual basis, property taxes are recognized as revenue in the year intended to finance, regardless of when collected. Property taxes receivable more than one year old have been fully offset by an allowance account.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventory

Inventory held for resale, including land, is valued at the lower of cost or market on a first-in/first-out (FIFO) basis.

H. Restricted Assets

Enterprise funds, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only for specified purposes indicated in the bond ordinances.

I. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses accounted for on the consumption method.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life in excess of one year and an initial, individual cost in excess of the following:

| Asset Class | Capitalization Threshold |
|--|-----------------------------|
| Land | \$ - |
| Buildings, Building and Land Improvements, Infrastructure and Intangible Assets | 100,000 |
| Vehicles, Machinery, Furniture and Equipment | 50,000 |
| Works of Art, Historical Artifacts | 50,000 |

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|---|-------|
| Buildings, Land Improvements and Infrastructure | 20-65 |
| Vehicles | 8 |
| Machinery, Furniture and Equipment and Software | 5-15 |

K. Vacation, Sick Pay and Other Employee Benefits

Accumulated unpaid vacation, sick pay and other employee benefit amounts for governmental funds are accrued in these funds as a current liability to the extent that employees have retired or terminated at year end but have not been paid. The remaining liability is reported in the Employee Compensated Benefits Fund (an internal service fund).

Accumulated unpaid vacation, sick pay and other employee benefit amounts for proprietary funds are recorded as earned by employees in those funds.

L. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

M. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts and gains/losses on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as expenses in the period incurred.

In the fund financial statements, governmental funds 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 expenditures in the period incurred.

O. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City's Chief Financial Officer/City Treasurer through the approved budget of the City. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The City has not adopted a flow of funds policy; therefore, in accordance with GASB Statement No. 54, the City follows the default flow of funds, that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balance/Net Position (Continued)

The City has established a policy requiring that the General Fund balance be maintained at the greater of either (a) 10% of expenditures and other financing uses as originally budgeted for the fiscal year or (b) \$1 million plus 25% of the current fiscal year's property tax levy. This is reported as part of unassigned fund balance.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

Restricted net position and restricted fund balance resulting from enabling legislation adopted by the City consists of \$2,057,304 restricted by the original ordinances to be used for public safety and \$7,264,448 restricted by the original ordinances to be used for health and welfare at December 31, 2019.

Restrictions, commitments and assignments of fund balance on the fund financial statements and restrictions on the government-wide financial statements for specific purposes are detailed in Note 15.

P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. PROPERTY TAXES

The City's property tax becomes a lien on real property on January 1 of the year it is levied. The 2019 levy was adopted December 17, 2019 and attached as an enforceable lien as of January 1, 2019. The City does not have a statutory tax rate limit. Property taxes are deposited with the County Treasurers who remit to the City its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, on or about June 1 and September 1. The 2019 levy is intended to finance the 2020 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2019.

3. CASH AND INVESTMENTS

The City and pension funds categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund'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. The investments are governed by the following four separate investment policies: one policy for the City and the Library adopted by the City Council and one policy each for the Police and Firefighters' Pension Funds and the Retiree Health Insurance Trust Fund approved by their respective boards.

In accordance with the City's investment policy, the City's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments 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.

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting daily cash flow demands and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety (preservation of capital and protection of investment principal), liquidity and yield.

City Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the City in the City's name.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CASH AND INVESTMENTS (Continued)

City Investments

The following table presents the investments and maturities of the City's debt securities as of December 31, 2019:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|------------------------------|----------------------|----------------------------------|---------------------|-------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Government Agency Notes | \$ 6,569,150 | \$ 4,569,150 | \$ 2,000,000 | \$ - | \$ - |
| U.S. Treasury Notes | 33,593,071 | 29,075,586 | 4,517,485 | - | - |
| State and Local Obligations | 13,284,604 | 10,236,164 | 3,048,440 | - | - |
| TOTAL | \$ 53,446,825 | \$ 43,880,900 | \$ 9,565,925 | \$ - | \$ - |

The City has the following recurring fair value measurements as of December 31, 2019: the U.S. agency obligations are valued using multi-dimensional relational models (Level 2 inputs). The U.S. treasury notes are valued using trade platform fees (Level 2 inputs). The state and local obligations are valued based on quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the City does not directly invest in securities maturing more than three years from the date of purchase.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations, U.S. Government agency notes and state and local obligations rated in the highest two categories by national rating agencies. The U.S. agency securities are rated Aaa. The state and local obligations are rated Aa3 to Aa1 by Moody's. Certain U.S. agency securities and state and local obligations are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the City's agent separate from where the investment was purchased. The Illinois Funds and the money market mutual funds are not subject to custodial credit risk.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CASH AND INVESTMENTS (Continued)

City Investments (Continued)

Concentration of credit risk - The investment portfolio of the City shall not exceed the diversification standards below:

| Diversification by Instrument | Percent of Portfolio |
|-------------------------------|----------------------|
| Commercial Paper | 10% |
| The Illinois Funds | 50% |

No financial institution shall hold more than 20% of the City's total investment portfolio. Furthermore, the amount of monies deposited and/or invested in a financial institution shall not exceed 75% of the capital stock and surplus of such institution.

The City's investment policy does not specifically prohibit the use of or the investment in derivatives.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

| | Beginning Balances | Increases | Decreases | Transfers | Ending Balances |
|--|-----------------------|---------------|-----------|--------------|--------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Capital Assets not Being Depreciated | | | | | |
| Land | \$ 34,386,864 | \$ 14,220,254 | \$ 28,638 | \$ (327,919) | \$ 48,250,561 |
| Land Right of Way | 104,122,961 | 59,529 | - | - | 104,182,490 |
| Works of Art | 977,267 | - | - | - | 977,267 |
| Construction in Progress | 30,020,606 | 9,076,966 | 323,113 | - | 38,774,459 |
| Total Capital Assets not Being Depreciated | 169,507,698 | 23,356,749 | 351,751 | (327,919) | 192,184,777 |
| Capital Assets Being Depreciated | | | | | |
| Buildings and Land Improvements | 149,152,436 | 490,406 | - | 327,919 | 149,970,761 |
| Machinery and Equipment | 29,247,952 | 760,313 | 144,309 | - | 29,863,956 |
| Vehicles | 16,504,720 | 715,065 | 352,438 | - | 16,867,347 |
| Infrastructure | 393,930,731 | 929,615 | - | - | 394,860,346 |
| Total Capital Assets Being Depreciated | 588,835,839 | 2,895,399 | 496,747 | 327,919 | 591,562,410 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

| | Beginning Balances | Increases | Decreases | Transfers | Ending Balances |
|--|------------------------|-------------------------|-------------------|--------------------|------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| (Continued) | | | | | |
| Less Accumulated Depreciation for | | | | | |
| Buildings and Land Improvements | \$ 40,368,274 | \$ 3,502,596 | \$ - | \$ - | \$ 43,870,870 |
| Machinery and Equipment | 20,050,154 | 2,291,974 | 105,124 | - | 22,237,004 |
| Vehicles | 11,684,525 | 1,239,645 | 352,438 | - | 12,571,732 |
| Infrastructure | 161,493,352 | 7,536,005 | - | - | 169,029,357 |
| Total Accumulated Depreciation | <u>233,596,305</u> | <u>14,570,220</u> | <u>457,562</u> | <u>-</u> | <u>247,708,963</u> |
| Total Capital Assets Being Depreciated, Net | <u>355,239,534</u> | <u>(11,674,821)</u> | <u>39,185</u> | <u>327,919</u> | <u>343,853,447</u> |
| GOVERNMENTAL ACTIVITIES | | | | | |
| CAPITAL ASSETS, NET | <u>\$ 524,747,232</u> | <u>\$ 11,681,928</u> | <u>\$ 390,936</u> | <u>\$ -</u> | <u>\$ 536,038,224</u> |

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|------------------------|----------------------|-------------------|------------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital Assets not Being Depreciated | | | | |
| Land | \$ 25,410,684 | \$ - | \$ 550,000 | \$ 24,860,684 |
| Construction in Progress | 3,625,326 | 170,918 | 469 | 3,795,775 |
| Total Capital Assets not Being Depreciated | <u>29,036,010</u> | <u>170,918</u> | <u>550,469</u> | <u>28,656,459</u> |
| Capital Assets Being Depreciated | | | | |
| Land Improvements | 42,730,158 | - | - | 42,730,158 |
| Building | 103,175,023 | - | - | 103,175,023 |
| Infrastructure | 210,679,240 | 8,282,458 | 551,114 | 218,410,584 |
| Machinery and Equipment | 5,837,275 | 321,618 | 59,868 | 6,099,025 |
| Vehicles | 3,678,893 | - | - | 3,678,893 |
| Total Capital Assets Being Depreciated | <u>366,100,589</u> | <u>8,604,076</u> | <u>610,982</u> | <u>374,093,683</u> |
| Less Accumulated Depreciation for | | | | |
| Land Improvements | 29,780,141 | 1,481,871 | - | 31,262,012 |
| Building | 43,978,444 | 2,036,581 | - | 46,015,025 |
| Infrastructure | 65,107,004 | 3,300,723 | 541,995 | 67,865,732 |
| Machinery and Equipment | 4,729,654 | 230,709 | 41,908 | 4,918,455 |
| Vehicles | 2,841,161 | 205,866 | - | 3,047,027 |
| Total Accumulated Depreciation | <u>146,436,404</u> | <u>7,255,750</u> | <u>583,903</u> | <u>153,108,251</u> |
| Total Capital Assets Being Depreciated, Net | <u>219,664,185</u> | <u>1,348,326</u> | <u>27,079</u> | <u>220,985,432</u> |
| BUSINESS-TYPE ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$ 248,700,195</u> | <u>\$ 1,519,244</u> | <u>\$ 577,548</u> | <u>\$ 249,641,891</u> |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES

| | |
|----------------------------|------------------|
| General Government | \$ 862,441 |
| Public Safety | 124,901 |
| Streets and Transportation | 4,712,135 |
| Culture and Recreation | 7,519,965 |
| Economic Development | <u>1,350,778</u> |

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES **\$ 14,570,220**

BUSINESS-TYPE ACTIVITIES

| | |
|------------------|------------------|
| Water and Sewer | \$ 5,066,690 |
| Downtown Parking | 402,355 |
| Commuter Parking | 142,499 |
| Golf Operations | 224,737 |
| Airport | <u>1,419,469</u> |

TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES **\$ 7,255,750**

5. LONG-TERM DEBT

The following is a summary of changes in bonds, contracts payable and other long-term liabilities during 2019 (in thousands of dollars):

| | January 1 | Additions | Reductions/ Refundings | December 31 | Current Portion |
|--|--------------------------|-------------------------|---------------------------|--------------------------|-------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| General Obligation Bonds | \$ 113,080 | \$ 7,645 | \$ 14,395 | \$ 106,330 | \$ 6,350 |
| Tax Increment Revenue Bonds/Notes | 9,410 | - | 1,245 | 8,165 | 1,310 |
| Debt Certificates (Direct Placement) | 633 | - | 238 | 395 | 395 |
| Installment Contracts | 3,167 | - | 167 | 3,000 | 167 |
| Illinois EPA Loan - Heathercrest | | | | | |
| Sanitary Sewer Rehabilitation | 430 | - | 168 | 262 | 173 |
| Illinois EPA Loan - Storm | | | | | |
| Sewer Construction | 6,697 | - | 599 | 6,098 | - |
| LOC - Old Second Bank (Direct Borrowing) | - | 7,495 | - | 7,495 | - |
| Compensated Absences* | 19,605 | 1,553 | 980 | 20,178 | 1,009 |
| Insurance Claims Payable* | 8,875 | 2,425 | 5,707 | 5,593 | 5,593 |
| Net Pension Liability - Pension Trust* | 456,449 | 19,137 | - | 475,586 | - |
| Net Pension Liability - IMRF* | 13,435 | 26,870 | - | 40,305 | - |
| Net Other Postemployment Benefit Liability* | 162,369 | 14,540 | - | 176,909 | - |
| Unamortized Bond Premium | 1,193 | 602 | 128 | 1,667 | - |
| TOTAL GOVERNMENTAL ACTIVITIES | <u>\$ 795,343</u> | <u>\$ 80,267</u> | <u>\$ 23,627</u> | <u>\$ 851,983</u> | <u>\$ 14,997</u> |

*These liabilities are primarily retired by the General Fund (for compensated absences and insurance claims through contributions to the Internal Service Fund).

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

| | January 1, Restated | Additions | Reductions | December 31 | Current Portion |
|--|------------------------|-----------------|-----------------|------------------|--------------------|
| BUSINESS-TYPE ACTIVITIES | | | | | |
| Revenue Bonds | | | | | |
| Water and Sewer Revenue Bonds | \$ 25,205 | \$ - | \$ 1,020 | \$ 24,185 | \$ 1,050 |
| Golf Course Revenue Bonds | 410 | - | 410 | - | - |
| Total Revenue Bonds | 25,615 | - | 1,430 | 24,185 | 1,050 |
| 2000 Illinois EPA Loan | 2,513 | - | 607 | 1,906 | 624 |
| 2009A Illinois EPA Loan | 422 | - | 35 | 387 | 35 |
| 2009B Illinois EPA Loan | 1,839 | - | 154 | 1,685 | 153 |
| 2010 Illinois EPA Loan | 31 | - | 3 | 28 | 3 |
| Asset Retirement Obligations | 2,625 | - | - | 2,625 | - |
| Compensated Absences | 2,059 | 72 | 103 | 2,028 | 101 |
| Net Pension Liability - IMRF | 3,909 | 6,755 | - | 10,664 | - |
| Net Other Postemployment Benefit Liability | 15,386 | 1,010 | 194 | 16,202 | - |
| Unamortized Bond Premium | 289 | - | 19 | 270 | - |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 54,688 | \$ 7,837 | \$ 2,545 | \$ 59,980 | \$ 1,966 |

Bonds payable at December 31, 2019 are comprised of the following, excluding the refunded bonds that are defeased in-substance.

General Obligation Bonds

| | Total | Current Portion |
|---|----------|--------------------|
| \$6,905,000 2012B Corporate Purpose refunding serial bonds, due in annual installments \$480,000 to \$655,000 from December 30, 2013 to December 30, 2024, interest from 2.00% to 2.50%. | \$ 3,120 | \$ 595 |
| \$9,565,000 2013 Corporate Purpose refunding serial bonds, due in annual installments of \$55,000 to \$1,465,000 from December 30, 2015 to December 30, 2025, interest from 2.000% to 3.125%. | 8,120 | 1,250 |
| \$9,150,000 2014 Corporate Purpose refunding serial bonds, due in annual installments of \$775,000 to \$1,580,000 from December 30, 2015 to December 30, 2030, interest from 2.00% to 3.50%. | 4,820 | - |
| \$6,690,000 2015A Corporate Purpose refunding serial bonds, due in annual installments of \$1,015,000 to \$1,225,000 from December 30, 2031 to December 30, 2036, interest from 3.25% to 4.00%. | 6,690 | - |
| \$69,185,000 2015C Corporate Purpose refunding serial bonds, due in annual installments of \$1,600,000 to \$4,275,000 from December 30, 2016 to December 30, 2038, interest from 3% to 4%. | 60,810 | 2,395 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

| | <u>Total</u> | <u>Current Portion</u> |
|---|--------------------------|----------------------------|
| \$16,500,000 2017 Corporate Purpose serial bonds, due in annual installments of \$680,000 to \$1,140,000 from December 30, 2018 to December 30, 2036, interest from 3.00% to 3.25%. | \$ 15,125 | \$ 710 |
| \$7,645,000 2019A Corporate Purpose refunding serial bonds, due in annual installments of \$1,400,000 to \$1,655,000 from December 30, 2020 to December 30, 2024, interest from 1.25% to 1.47%. | <u>7,645</u> | <u>1,400</u> |
| TOTAL | <u>\$ 106,330</u> | <u>\$ 6,350</u> |

Tax Increment Revenue Bonds and Notes

| | <u>Total</u> | <u>Current Portion</u> |
|--|------------------------|----------------------------|
| \$3,700,000 2009 tax increment revenue notes, due in annual installments of \$120,000 to \$410,000, through December 30, 2024, interest at 7%. | \$ 1,905 | \$ 335 |
| \$4,300,000 2018A tax increment revenue bonds, due in annual installments of \$130,000 to \$560,000, through December 30, 2027, interest at 5%. | 3,790 | 395 |
| \$3,130,000 2018B tax increment revenue bonds, due in annual installments of \$100,000 to \$650,000, through December 30, 2023, interest at 4.50%. | <u>2,470</u> | <u>580</u> |
| TOTAL | <u>\$ 8,165</u> | <u>\$ 1,310</u> |

Revenue and Alternate Revenue Source Bonds

| | <u>Total</u> | <u>Current Portion</u> |
|--|-------------------------|----------------------------|
| Water and Sewer | | |
| \$28,035,000 2015B Waterworks and Sewerage refunding serial revenue bonds, due in annual installments of \$910,000 to \$1,945,000, through December 1, 2036, interest from 3% to 4%. | <u>\$ 24,185</u> | <u>\$ 1,050</u> |
| TOTAL | <u>\$ 24,185</u> | <u>\$ 1,050</u> |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Debt Certificates

| | Total | Current Portion |
|--|---------------|--------------------|
| \$3,095,000 2012D Corporate Purpose refunding serial debt certificates, issued directly to a bank, due in annual installments of \$235,000 to \$500,000 from December 30, 2013 to December 30, 2020, interest from 2% to 3%. | \$ 395 | \$ 395 |
| TOTAL | \$ 395 | \$ 395 |

Installment Contracts

| | Total | Current Portion |
|--|-----------------|--------------------|
| \$3,000,000 Section 108 Loan, due in annual installments of \$166,667 from August 1, 2020 to August 1, 2037. | \$ 3,000 | \$ 167 |
| TOTAL | \$ 3,000 | \$ 167 |

Illinois EPA Loans

| | Total | Current Portion |
|--|------------------|--------------------|
| \$2,546,144 Illinois EPA low interest loan related to the Heathercrest Sanitary Sewer Rehabilitation, due in semiannual installments of \$89,444, through June 2021, interest at 2.535%. | \$ 262 | \$ 173 |
| Up to \$7,326,943 Illinois EPA low interest loan related to storm sewer construction, due in semiannual installments for 20 years after construction completion with interest at 1.86%. | 6,098 | - |
| \$10,000,000 Illinois EPA low interest loan related to the water plant expansion project, due in semiannual installments of \$337,665, through September 2022, interest at 2.905%. | 1,906 | 624 |
| \$685,871 Illinois EPA loan related to certain watermain replacements, due in semiannual installments to be determined, through January 2030, interest at 0%. | 387 | 35 |
| \$2,988,143 Illinois EPA loan related to the separation of certain combined sewer lines, due in semiannual installments to be determined, through June 2030, interest at 0%. | 1,685 | 153 |
| \$69,513 Illinois EPA loan related to a bio-infiltration system, due in semiannual installments of \$1,335, through June 2030, interest at 0%. | 28 | 3 |
| TOTAL | \$ 10,366 | \$ 988 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Line of Credit (Direct Borrowing)

| | Total | Current Portion |
|--|-----------------|--------------------|
| Up to \$10,000,000 line of credit (Direct Borrowing) for redevelopment projects from Old Second National Bank, due June 30, 2021. Unused balance of \$2,504,592. This loan is unsecured. | \$ 7,495 | \$ - |
| TOTAL | \$ 7,495 | \$ - |

Debt Service to Maturity

The annual requirements to amortize all debt outstanding (except compensated absences, insurance claims, termination benefits, the NPO and the NOPEBL) as of December 31, 2019, are as follows (in thousands of dollars):

| Year Ending December 31, | General Obligation Bonds | | TIF Bonds/Notes | | Debt Certificates (Direct Placement) | |
|--------------------------------|--------------------------|------------------|-----------------|-----------------|---|--------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2020 | \$ 6,350 | \$ 3,575 | \$ 1,310 | \$ 434 | \$ 395 | \$ 12 |
| 2021 | 6,565 | 3,367 | 1,385 | 365 | - | - |
| 2022 | 6,780 | 3,161 | 1,470 | 291 | - | - |
| 2023 | 7,005 | 2,947 | 1,510 | 213 | - | - |
| 2024 | 7,215 | 2,725 | 890 | 133 | - | - |
| 2025-2029 | 24,390 | 10,981 | 1,600 | 162 | - | - |
| 2030-2034 | 27,230 | 6,984 | - | - | - | - |
| 2035-2039 | 20,795 | 1,881 | - | - | - | - |
| TOTAL | \$ 106,330 | \$ 35,621 | \$ 8,165 | \$ 1,598 | \$ 395 | \$ 12 |

| Year Ending December 31, | Installment Contracts | | Illinois EPA Loans | | Revenue and Alternate Revenue Source Bonds | |
|--------------------------------|-----------------------|-------------|--------------------|-----------------|---|-----------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2020 | \$ 167 | \$ - | \$ 988 | \$ 56 | \$ 1,050 | \$ 857 |
| 2021 | 167 | - | 1,230 | 146 | 1,090 | 826 |
| 2022 | 167 | - | 1,144 | 120 | 1,120 | 793 |
| 2023 | 167 | - | 511 | 100 | 1,160 | 759 |
| 2024 | 167 | - | 517 | 94 | 1,190 | 725 |
| 2025-2029 | 833 | - | 2,677 | 378 | 6,615 | 3,050 |
| 2030-2034 | 832 | - | 2,079 | 211 | 8,150 | 1,770 |
| 2035-2039 | 500 | - | 1,220 | 40 | 3,810 | 230 |
| TOTAL | \$ 3,000 | \$ - | \$ 10,366 | \$ 1,145 | \$ 24,185 | \$ 9,010 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Debt Service to Maturity (Continued)

| Year Ending December 31, | Line of Credit (Direct Borrowing) | |
|--------------------------------|--------------------------------------|---------------|
| | Principal | Interest |
| 2020 | \$ - | \$ 203 |
| 2021 | 7,495 | 102 |
| 2022 | - | - |
| 2023 | - | - |
| 2024 | - | - |
| 2025-2029 | - | - |
| 2030-2034 | - | - |
| 2035-2039 | - | - |
| TOTAL | \$ 7,495 | \$ 305 |

The bonds of several issues are subject to redemption and payment prior to their maturity, at the option of the City.

Advance Refundings

On December 19, 2019, the City issued \$7,645,000 General Obligation Refunding Bonds, Series 2019A to refund, through an advanced refunding, \$5,985,000 of the 2009A Taxable Corporate Purpose serial bonds and \$2,130,000 of the 2009B Corporate Purpose serial bonds. As a result of the refunding, the City achieved cash flow savings of \$361,685 and an economic gain of \$348,646. The refunded portion of the Series 2009A and 2009B Bonds were called and paid from escrow on December 30, 2019.

Defeasance

During 2014, the City retired, through a defeasance, the remaining notes payable balance. The City placed in an irrevocable escrow during 2014, \$843,138, sufficient to pay the principal and interest payments as they come due through the year 2021. No economic or cash flow savings were achieved as a result of the defeasance.

Asset Retirement Obligations

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with state requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells range from 33 to 89 years.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. REVENUE BONDS

The revenue bond ordinances require that all revenues derived from the operation of the Water and Sewer Fund be segregated in separate accounts, in the priority indicated by the order of the following:

| Account | Amount | Nature of Authorized Expenditures |
|---|--|---|
| Operation and Maintenance | Sufficient amount to pay reasonable expenses for one month's operations | Expenses of operating, maintaining and repairing the system |
| Bond and Interest | Amount sufficient to pay the current bond and interest maturities | Paying principal and interest on bonds |
| Bond Reserve | \$30,000 per month until account aggregates an amount equal to bond and interest requirements for any succeeding fiscal year | Paying principal and interest on bonds when there are insufficient funds in the bond and interest account |
| Depreciation, Improvement and Extension | \$8,000 per month until the account aggregates a minimum of \$500,000 | Cost of extraordinary maintenance, necessary replacement and improvement or extension of the system |
| Surplus Revenue | The amount remaining after payment into the above four accounts | Making up deficiencies in the aforementioned accounts, paying of junior lien bonds and for any other lawful corporate purpose |

The City has complied with all significant limitations, restrictions and bond covenants during the year ended December 31, 2019. The restricted assets and restricted net position for purposes other than bond proceeds and the expenses of operating, maintaining and repairing the system, is as follows:

| RESTRICTED BOND ORDINANCE ACCOUNTS | |
|---|----------------------------|
| Bond and Interest Account | \$ 1,357,731 |
| Bond Reserve Account | 2,152,789 |
| Depreciation, Improvement and Extension Account | <u>528,938</u> |
| TOTAL | <u><u>\$ 4,039,458</u></u> |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. REVENUE BONDS (Continued)

The revenue bond ordinances require that all revenues derived from the operation of the Golf Operations Fund be segregated in separate accounts, in the priority indicated by the order of the following:

| Account | Amount | Nature of Authorized Expenditures |
|---|--|--|
| Operation and Maintenance | Sufficient amount to pay reasonable expenses and operation of the system for the fiscal year | Expenses incurred in connection with the continued operation, use and maintenance of the system, other than capital improvements, necessary to keep the system in efficient and economical operating condition, including the payment of premiums for insurance hereinafter required to be carried, and generally for all expenses (except depreciation) which under good accounting practice are properly chargeable to, and are reasonable and necessary to, the efficient maintenance and operation of the system |
| Bond and Interest | Amount sufficient to pay the current bond and interest maturities | Paying principal and interest on bonds |
| Bond Reserve | \$20,000 per month until account aggregates an amount equal to bond and interest requirements for any succeeding fiscal year | Paying principal and interest on bonds when there are insufficient funds in the bond and interest account |
| Depreciation, Improvement and Extension | \$2,083 per month until account aggregates an amount equal to bond and interest requirements for any succeeding fiscal year | Cost of extraordinary maintenance, necessary replacement and improvement or extension of the system |
| Surplus Revenue | The amount remaining after payment into the above four accounts | Making up deficiencies in the aforementioned accounts, paying of junior lien bonds and for any other lawful corporate purpose |

The City has complied with all significant limitations, restrictions and bond covenants during the year ended December 31, 2019. During the year ended December 31, 2019, the Golf bonds and related interest were paid off in full. Therefore, there is no restricted bond ordinance account in the Golf Fund.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. SHORT-TERM DEBT

The following is a summary of changes in short-term liabilities during 2019 (in thousands of dollars):

| | January 1 | Additions | Reductions | December 31 | Current Portion |
|---|-----------|-----------|------------|-------------|-----------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| LOC - Fifth Third Bank (Direct Borrowing) | \$ - | \$ 7,500 | \$ - | \$ 7,500 | \$ 7,500 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ - | \$ 7,500 | \$ - | \$ 7,500 | \$ 7,500 |

Line of Credit - Direct Borrowing

During 2019, the City authorized a short-term direct borrowing lines of credit for a total of \$10,000,000 for redevelopment projects. As of December 31, 2019, the City has drawn down on \$7,500,000 leaving an unused balance of \$2,500,000. This loan is unsecured. The lines of credit mature on July 23, 2020.

8. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. At December 31, 2019, the plan assets have been placed in trust for the benefit of employees. Accordingly, the plan assets are not reported in the City's financial statements.

9. INDUSTRIAL AND MORTGAGE REVENUE BONDS

On March 23, 1976, the City passed an ordinance enabling the City to provide financing for economic development projects, pollution control projects and hospital facilities by the issuance of industrial or mortgage revenue bonds. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2019, there were 16 series of bonds outstanding. The aggregate principal amount payable that can be substantiated for the series was \$16,635,700.

10. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an 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. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly, which results in the Police and Firefighters' Pension Plans being fiscally dependent on the City. The City is obligated to fund all Police and Firefighters' Pension Plan costs not funded by the Plan participants based upon actuarial valuations, which creates a financial burden on the City. The Police and Firefighters' Pension Plans both issue separate reports on the pension plans that include required supplementary information and trend information. These statements can be obtained from the Treasurer of the pension plans at 44 E. Downer Place, Aurora, Illinois 60507-2067 or at www.aurora-il.org. IMRF also issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

A. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan or Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2018 (most recent information available), IMRF membership for the City consisted of:

| | |
|---|--------------|
| Inactive Employees or Their Beneficiaries | |
| Currently Receiving Benefits | 557 |
| Inactive Employees Entitled to but not yet Receiving Benefits | 253 |
| Active Employees | 469 |
| TOTAL | 1,279 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership (Continued)

At December 31, 2018 (most recent information available), IMRF membership for the Library consisted of:

| | |
|--|-----|
| Inactive Employees or Their Beneficiaries | |
| Currently Receiving Benefits | - |
| Inactive Employees Entitled to but not yet | |
| Receiving Benefits | 97 |
| Active Employees | 119 |
| TOTAL | 216 |

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year 2019 was 11.53% of covered payroll.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2018 (most recent information available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

| | |
|----------------------------|----------------------|
| Actuarial Valuation Date | December 31, 2018 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary Increases | 3.39% to 14.25% |
| Interest Rate | 7.50% |
| Cost of Living Adjustments | 3.50% |
| Asset Valuation Method | Fair Value |

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the total pension liability was 7.25% (7.50% in 2018). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was used to determine the total pension liability.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability - City

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2018 | \$ 240,538,532 | \$ 223,194,824 | \$ 17,343,708 |
| Changes for the Period | | | |
| Service Cost | 3,773,602 | - | 3,773,602 |
| Interest | 17,741,031 | - | 17,741,031 |
| Difference Between Expected and Actual Experience | 3,811,511 | - | 3,811,511 |
| Changes in Assumptions | 7,418,473 | - | 7,418,473 |
| Employer Contributions | - | 6,042,560 | (6,042,560) |
| Employee Contributions | - | 1,898,907 | (1,898,907) |
| Net Investment Income | - | (12,122,433) | 12,122,433 |
| Benefit Payments and Refunds | (11,756,487) | (11,756,487) | - |
| Administrative Expense | - | - | - |
| Other (Net Transfer) | - | 3,299,991 | (3,299,991) |
| Net Changes | 20,988,130 | (12,637,462) | 33,625,592 |
| BALANCES AT DECEMBER 31, 2018 | \$ 261,526,662 | \$ 210,557,362 | \$ 50,969,300 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability - Library

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2018 | \$ 29,305,008 | \$ 27,192,010 | \$ 2,112,998 |
| Changes for the Period | | | |
| Service Cost | 459,741 | - | 459,741 |
| Interest | 2,161,405 | - | 2,161,405 |
| Difference Between Expected and Actual Experience | 464,360 | - | 464,360 |
| Changes in Assumptions | 903,798 | - | 903,798 |
| Employer Contributions | - | 736,170 | (736,170) |
| Employee Contributions | - | 231,345 | (231,345) |
| Net Investment Income | - | (1,476,886) | 1,476,886 |
| Benefit Payments and Refunds | (1,432,302) | (1,432,302) | - |
| Administrative Expense | - | - | - |
| Other (Net Transfer) | - | 402,041 | (402,041) |
| Net Changes | 2,557,002 | (1,539,632) | 4,096,634 |
| BALANCES AT DECEMBER 31, 2018 | \$ 31,862,010 | \$ 25,652,378 | \$ 6,209,632 |

Changes in assumptions related to the discount rate were made since the prior measurement date.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2019, the City recognized pension expense of \$7,210,184. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference Between Expected and Actual Experience | \$ 5,564,812 | \$ 1,850,651 |
| Changes in Assumption | 5,630,621 | 4,381,657 |
| Contributions Made after the Measurement Date | 4,706,919 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 14,224,090 | - |
| TOTAL | \$ 30,126,442 | \$ 6,232,308 |

\$4,706,919 reported as deferred outflows or resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2020.

For the year ended December 31, 2019, the Library recognized pension expense of \$878,423. At December 31, 2019, the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference Between Expected and Actual Experience | \$ 677,966 | \$ 225,466 |
| Changes in Assumption | 685,982 | 533,820 |
| Contributions Made after the Measurement Date | 573,448 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 1,732,933 | - |
| TOTAL | \$ 3,670,329 | \$ 759,286 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

\$573,448 reported as deferred outflows or resources related to pensions resulting from the Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2020.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense for the City as follows:

| <u>Year Ending December 31,</u> | |
|-------------------------------------|-----------------------------|
| 2020 | \$ 5,494,803 |
| 2021 | 3,469,831 |
| 2022 | 4,400,110 |
| 2023 | <u>5,822,470</u> |
| TOTAL | <u>\$ 19,187,214</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense for the Library as follows:

| <u>Year Ending December 31,</u> | |
|-------------------------------------|----------------------------|
| 2020 | \$ 669,436 |
| 2021 | 422,732 |
| 2022 | 536,069 |
| 2023 | <u>709,357</u> |
| TOTAL | <u>\$ 2,337,594</u> |

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---------------------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability - City | \$ 84,586,656 | \$ 50,969,300 | \$ 23,267,677 |
| Net Pension Liability - Library | 10,305,262 | 6,209,632 | 2,834,720 |

Police Pension Fund

Plan Administration

Police sworn personnel are covered by the Police Pension Fund. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the fund as a pension trust fund.

The Police Pension Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The Police Pension Fund is accounted for with a flow of economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Plan Membership

At December 31, 2019, the measurement date, membership consisted of:

| | |
|---|-----------------------|
| Inactive Plan Members Currently Receiving Benefits | 223 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 30 |
| Active Plan Members | <u>310</u> |
| TOTAL | <u><u>563</u></u> |

Benefits Provided

The Police Pension Fund provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to ½ 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 annual benefit shall be increased by 2.50% 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 eight 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.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of the 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% 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 ten years of creditable service may retire at or

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Benefits Provided (Continued)

after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Fund. 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 Police Pension Fund, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year ended December 31, 2019, the City's contribution was 44.74% of covered payroll.

Investment Policy

ILCS limits the Police Pension Fund's investments to those allowable by ILCS and require the Police Pension Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Police Pension Fund's investment policy authorizes the Police Pension Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Police Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts. No changes to the investment policy were made during 2019.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Investment Policy (Continued)

The Police Pension Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Fixed Income | 35% | 2.10% |
| Domestic Equities | 32% | 5.60% |
| International Equities | 16% | 5.80% |
| Real Estate | 10% | 3.70% |
| Blended | 5% | 5.00% |
| Cash and Cash Equivalents | 2% | 0.70% |

ILCS limits the Police Pension Fund’s investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Police Pension Fund’s investments was determined using an asset allocation study conducted by the Police Pension Fund’s investment management consultant in September 2019 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Police Pension Fund’s target asset allocation as of December 31, 2019 are listed on the previous page.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Investment Concentrations

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Police Pension Fund's investments.

Investment Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Police Pension Fund's deposits may not be returned to them. The Police Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2019:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|-----------------------------|----------------------|----------------------------------|----------------------|----------------------|----------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury Obligations | \$ 21,359,565 | \$ 3,340,822 | \$ 5,689,947 | \$ 9,104,578 | \$ 3,224,218 |
| U.S. Agency Obligations | 21,173,688 | 43 | 2,632,338 | 4,384,050 | 14,157,257 |
| State and Local Obligations | 1,720,037 | 649,097 | 912,814 | 158,126 | - |
| Corporate Bonds | 35,186,003 | 3,786,948 | 16,263,197 | 9,878,360 | 5,257,498 |
| TOTAL | \$ 79,439,293 | \$ 7,776,910 | \$ 25,498,296 | \$ 23,525,114 | \$ 22,638,973 |

The Police Pension Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City's Police Pension Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. Treasury obligations, blended mutual funds, domestic and international equity securities are valued using quoted prices (Level 1 inputs). The U.S. agency obligations are valued using institutional bond quotes (Level 2 inputs). The state and local obligations and corporate bonds, are valued using quoted matrix pricing models (Level 2 inputs). Real Estate Investment Trusts are measured based on the value of appraisals (Level 3 inputs).

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Police Pension Fund.

Credit Risk

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Credit Risk (Continued)

United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. Additionally, the U.S. agency obligations that consist of FHLMC securities are rated Aaa by a national rating agency. The Police Pension Fund's U.S. agency obligations consist of FHLMC, FNMA, GNMA and FFCB securities. For ratings that were available, these securities were rated Aaa by a national rating agency. The state and local obligations are rated Aa3 to Aaa. The corporate bonds are rated Baa3 to Aa1.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Police Pension Fund's agent separate from where the investment was purchased in the Police Pension Fund's name. Blended mutual funds are not subject to custodial credit risk.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions.

| | |
|-----------------------------------|-------------------|
| Actuarial Valuation Date | December 31, 2019 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary Increases | Service-Based |
| Investment Rate | 6.50% |
| Cost of living adjustments Tier 1 | 3.00% |
| Cost of living adjustments Tier 2 | 1.25% |
| Asset Valuation Method | Fair Value |

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table (CHBCA), projected to the valuation date with Scale BB for Healthy Members and the RP-2000 Disabled Retiree, projected to the valuation date with the Scale BB for Disabled Members. The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated October 5, 2017.

Discount Rate

The discount rate used to measure the total pension liability was 5.76% (6.12% in 2018). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 6.50% was blended with the index rate of 3.26% (4.10% in 2018) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2019 to arrive at a discount rate of 5.76% used to determine the total pension liability.

Changes in the Net Pension Liability

| | (a) | (b) | (a) - (b) |
|--|----------------------------|--------------------------------|--------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| BALANCES AT JANUARY 1, 2019 | \$ 474,300,581 | \$ 214,221,293 | \$ 260,079,288 |
| Changes for the Period | | | |
| Service Cost | 9,071,447 | - | 9,071,447 |
| Interest | 29,062,097 | - | 29,062,097 |
| Difference Between Expected and Actual Experience | (3,953,040) | - | (3,953,040) |
| Changes in Assumptions | 26,438,399 | - | 26,438,399 |
| Changes of Benefit Terms | 996,940 | - | 996,940 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Changes in the Net Pension Liability (Continued)

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|---------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| Changes for the Period (Continued) | | | |
| Employer Contributions | \$ - | \$ 15,422,861 | \$ (15,422,861) |
| Employee Contributions | - | 3,429,359 | (3,429,359) |
| Net Investment Income | - | 36,009,451 | (36,009,451) |
| Benefit Payments and Refunds | (16,714,714) | (16,714,714) | - |
| Administrative Expense | - | (60,859) | 60,859 |
| Net Changes | 44,901,129 | 38,086,098 | 6,815,031 |
| BALANCES AT DECEMBER 31, 2019 | \$ 519,201,710 | \$ 252,307,391 | \$ 266,894,319 |

There was a change with respect to actuarial assumptions from the prior year to Tier 2 benefits and to reflect revised expectations with respect to mortality rates and discount rates.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2019, the Police Pension Fund recognized pension expense of \$31,509,376. At December 31, 2019, the Police Pension Fund reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference Between Expected and Actual Experience | \$ 11,838,034 | \$ 6,139,587 |
| Changes in Assumption | 39,630,482 | 2,489,520 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 10,595,763 |
| TOTAL | \$ 51,468,516 | \$ 19,224,870 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

| <u>Year Ending</u> <u>December 31,</u> | |
|---|--------------------------|
| 2020 | \$ 7,605,873 |
| 2021 | 7,437,757 |
| 2022 | 9,753,881 |
| 2023 | 1,021,747 |
| 2024 | 3,212,194 |
| Thereafter | <u>3,212,194</u> |
| TOTAL | <u>\$ 32,243,646</u> |

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 5.76% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.76%) or 1 percentage point higher (6.76%) than the current rate:

| | <u>1% Decrease</u> <u>(4.76%)</u> | <u>Current</u> <u>Discount Rate</u> <u>(5.76%)</u> | <u>1% Increase</u> <u>(6.76%)</u> |
|-----------------------|--------------------------------------|--|--------------------------------------|
| Net Pension Liability | \$ 352,388,118 | \$ 266,894,319 | \$ 198,204,210 |

Firefighters' Pension Fund

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Fund, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Plan Administration (Continued)

The Firefighters' Pension Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

The Firefighters' Pension Fund is accounted for with a flow of economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2019, the measurement date, membership consisted of:

| | |
|--|---------|
| Inactive Plan Members Currently Receiving Benefits | 194 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 5 |
| Active Plan Members | 205 |
| TOTAL | 404 |

Benefits Provided

The Firefighters' Pension Fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% 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 ten 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 covered employee 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.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtained by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% 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 ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Fund. 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 Firefighters' Pension Fund, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year ended December 31, 2019, the City's contribution was 47.63% of covered payroll.

Investment Policy

ILCS limits the Firefighters' Pension Fund's investments to those allowable by ILCS and require the Firefighters' Pension Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Investment Policy (Continued)

Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Firefighters' Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts.

The Firefighters' Pension Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Fixed Income | 35% | 2.10% |
| Domestic Equities | 32% | 5.60% |
| International Equities | 16% | 5.80% |
| Real Estate | 10% | 3.70% |
| Blended | 5% | 5.00% |
| Cash and Cash Equivalents | 2% | 0.70% |

ILCS limits the Firefighters' Pension Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Investment Policy (Continued)

The long-term expected rate of return on the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment management consultant in July 2019 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Firefighters' Pension Fund's target asset allocation as of December 31, 2019 are listed in the table above.

Concentrations

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Firefighters' Pension Fund's investments.

Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.98%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Firefighters' Pension Fund's deposits may not be returned to them. The Firefighters' Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2019:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|-----------------------------|----------------------|----------------------------------|----------------------|----------------------|----------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury Obligations | \$ 16,475,110 | \$ 2,562,164 | \$ 4,225,063 | \$ 7,055,047 | \$ 2,632,836 |
| U.S. Agency Obligations | 16,502,641 | 36 | 2,038,386 | 3,337,194 | 11,127,025 |
| State and Local Obligations | 1,375,612 | 286,263 | 968,119 | 121,230 | - |
| Corporate Bonds | 27,882,230 | 3,122,858 | 12,844,782 | 7,812,100 | 4,102,490 |
| TOTAL | \$ 62,235,593 | \$ 5,971,321 | \$ 20,076,350 | \$ 18,325,571 | \$ 17,862,351 |

The City's Firefighters' Pension Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. Treasury obligations are valued using quoted prices (Level 1 inputs). The U.S. agency obligations are valued using institutional bond quotes (Level 2 inputs). The state and local obligations, and corporate bonds, are valued based on quoted matrix pricing models (Level 2 inputs).

The Firefighters' Pension Fund also has domestic and international equity securities and blended mutual funds valued using quoted prices (Level 1 inputs), and real estate investment trusts, measured based on the value of appraisals (Level 3 inputs).

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Firefighters' Pension Fund.

Credit Risk

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. Additionally, the U.S. agency obligations that consist of FHLMC securities are rated Aaa by a national rating agency. The

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Credit Risk (Continued)

Firefighters' Pension Fund's U.S. agency obligations consist of FHLMC, FNMA, GNMA and FFCB securities. For ratings that were available, these securities were rated Aaa by a national rating agency. The municipal bonds are rated Aa3 to Aaa. The corporate bonds are rated Ba3 to Aaa.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Firefighters' Pension Fund's agent separate from where the investment was purchased in the Firefighters' Pension Fund's name. The blended mutual funds are not subject to custodial credit risk.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions.

| | |
|----------------------------|-------------------|
| Actuarial Valuation Date | December 31, 2019 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary Increases | Service Based |
| Interest Rate | 6.50% |
| Cost of Living Adjustments | 3.00% |
| Asset Valuation Method | Fair Value |

Mortality rates were based on the PubS-2010 Employee mortality, projected five years past the valuation date with Scale MP-2019 and PubS-2010 Disabled mortality, projected five years past the valuation date with Scale MP-2019.

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.76% (6.12% in 2018). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments at 6.50% was blended with the index rate of 3.26% (4.10% in 2018) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2019 to arrive at a discount rate of 5.76% used to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 5.76% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.76%) or 1 percentage point higher (6.76%) than the current rate:

| | 1% Decrease (4.76%) | Current Discount Rate (5.76%) | 1% Increase (6.76%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability | \$ 271,979,024 | \$ 208,691,981 | \$ 157,611,234 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Changes in the Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| BALANCES AT JANUARY 1, 2019 | \$ 362,931,361 | \$ 166,561,402 | \$ 196,369,959 |
| Changes for the Period | | | |
| Service cost | 7,425,360 | - | 7,425,360 |
| Interest | 22,223,260 | - | 22,223,260 |
| Difference Between Expected and Actual Experience | 4,952,322 | - | 4,952,322 |
| Changes in Assumptions | 19,632,276 | - | 19,632,276 |
| Changes of Benefit Terms | 912,924 | - | 912,924 |
| Employer Contributions | - | 12,200,204 | (12,200,204) |
| Employee Contributions | - | 2,513,363 | (2,513,363) |
| Net Investment Income | - | 28,154,478 | (28,154,478) |
| Benefit Payments and Refunds | (14,441,580) | (14,441,580) | - |
| Administrative Expense | - | (43,924) | 43,924 |
| Net Changes | 40,704,562 | 28,382,541 | 12,322,021 |
| BALANCES AT DECEMBER 31, 2019 | \$ 403,635,923 | \$ 194,943,943 | \$ 208,691,980 |

There was a change with respect to actuarial assumptions from the prior year to Tier 2 benefits and to reflect revised expectations with respect to mortality rates and discount rates.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2019, the Firefighters' Pension Fund recognized pension expense of \$25,980,457. At December 31, 2019, the Firefighters' Pension Fund reported deferred outflows of resources and deferred inflows of resources related to the fire pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference Between Expected and Actual Experience | \$ 11,537,935 | \$ 2,361,364 |
| Changes in Assumption | 27,919,163 | 1,473,990 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 8,569,707 |
| TOTAL | \$ 39,457,098 | \$ 12,405,061 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | |
|-------------------------------------|----------------------|
| 2020 | \$ 6,989,096 |
| 2021 | 5,577,835 |
| 2022 | 4,922,482 |
| 2023 | 1,523,545 |
| 2024 | 4,526,993 |
| Thereafter | <u>3,512,086</u> |
| TOTAL | \$ 27,052,037 |

11. RISK MANAGEMENT

The City is exposed to various risks of loss, including but not limited to, property and casualty, general and public officials' liability, workers' compensation and employee's health. The City uses a combination of purchased third party indemnity insurance and self-insurance with specific and aggregate stop-loss coverage to limit its exposure to losses. The coverage by area is as follows:

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. RISK MANAGEMENT (Continued)

Property Insurance

The City has purchased third party indemnity coverage for property and casualty losses. The City is covered up to 90% of the replacement cash value for property, with a self-insured retention of \$50,000 per occurrence, which is the same coverage as the prior year.

Liability Insurance

The City is self-insured for general liability insurance up to \$2,000,000. The City has purchased specific stop-loss coverage for claims from \$2,000,000 to \$20,000,000, which is the same coverage as the prior year. The City has hired a third-party administrator to review, process and pay claims as directed by the City's human resources director/risk manager.

Workers' Compensation

The City is self-insured for workers' compensation. In order to limit its exposure to losses, the City has purchased specific stop-loss coverage limiting its exposure to \$675,000 per occurrence, which is the same coverage as the prior year, with specific excess coverage providing insurance above \$675,000 per occurrence up to the statutory maximum. The City has hired a third-party administrator to review, process and pay claims, as directed by the City's human resources director/risk manager. Claims incurred are charged to the City's Property and Casualty Insurance Fund.

A reconciliation of the claims liability for workers' compensation and general liability is as follows:

| | Workers' Compensation | | General Liability | |
|---|-----------------------|---------------------|-------------------|---------------------|
| | 2019 | 2018 | 2019 | 2018 |
| CLAIMS PAYABLE, JANUARY 1 | \$ 3,672,732 | \$ 4,183,241 | \$ 4,682,019 | \$ 4,016,776 |
| Add Claims Incurred and Claims Adjustment | 4,577,192 | 1,841,776 | 627,081 | 1,187,598 |
| Less Claims Paid | 4,034,239 | 2,352,285 | 4,543,547 | 522,355 |
| CLAIMS PAYABLE, DECEMBER 31 | <u>\$ 4,215,685</u> | <u>\$ 3,672,732</u> | <u>\$ 765,553</u> | <u>\$ 4,682,019</u> |

Health Care and Insurance Benefits

The City is partially self-insured for health care benefits provided to its employees, retirees and their dependents. Such employees may elect to receive benefits under a Health Care Maintenance Organization (HMO) program or under the City's self-insurance program. The same coverage is offered to individuals who, upon termination, qualify for retirement. Such individuals reimburse the City a stipulated monthly premium charge and receive coverage. Under the HMO option, all covered health charges are the responsibility of the HMO, the City pays the premiums for this coverage in excess of the employee/retiree contribution.

11. RISK MANAGEMENT (Continued)

Health Care and Insurance Benefits (Continued)

For the self-insurance program the City has purchased stop-loss coverage to limit its exposure to losses from self-insured health insurance. The specific stop-loss coverage, on a policy year of January 1 to December 31, 2019, is \$325,000 per individual, which is the same coverage as the prior year, with an aggregate specific attachment of \$40,000. Therefore, claims in excess of \$325,000 per individual are aggregated until the amount reaches \$40,000, with excess amounts above this reimbursed by the aggregate specific carrier, up to \$2,000,000 per policy year.

| | Health Insurance | |
|-----------------------------|------------------|--------------|
| | 2019 | 2018 |
| CLAIMS PAYABLE, JANUARY 1 | \$ 899,011 | \$ 1,293,424 |
| Add Claims Incurred | 13,761,427 | 13,916,793 |
| Less Claims Paid | 13,544,755 | 14,311,206 |
| CLAIMS PAYABLE, DECEMBER 31 | \$ 1,115,683 | \$ 899,011 |

Life insurance benefits for each city employee are provided through insurance.

The insurance programs are funded through monthly charges to the various city funds and the terminated individuals and are accounted for in the Property and Casualty Insurance Fund and the Employee Health Insurance Fund. The excess of such charges over health care claims paid, premiums for insurance coverage in excess of self-insured amounts, premiums for group life insurance and charges for administration of the program, if any, is reported as an operating transfer.

Settled claims did not exceed the insurance coverage in the current year or the prior two fiscal years.

12. CONTINGENT LIABILITIES

A. 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. As disclosed in Note 11, a liability of \$765,553 has been accrued for probable losses on liability claims.

12. CONTINGENT LIABILITIES (Continued)

B. Grants

Amounts received and 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.

13. DEVELOPMENT ASSISTANCE

The City has entered into various agreements with private organizations to encourage economic development in the City. Some of these agreements provide for rebating a portion of property taxes and/or sales taxes to the private organizations if certain benchmarks of development are achieved. During the fiscal year ended December 31, 2019, approximately \$3,280,771 in property taxes and \$344,330 in sales taxes were rebated under these agreements. Approximately \$33,478,251 in property taxes and \$2,496,714 in sales taxes may be rebated if certain criteria are met in future years.

The City rebated 50% of its share of state-shared sales taxes generated by a major retail electronics anchor located in a shopping center to the developer of the shopping center. The rebate arrangement is intended to subsidize leasing costs and thereby retain the anchor. Due to provisions in the applicable agreement with the developer pertaining to confidentiality, the City is precluded from disclosing the amount of sales taxes rebated for the year.

14. TAX ABATEMENTS

The City rebates property, sales and hotel occupancy taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

Prior to the fiscal year ended December 31, 2019, the City rebated 50% of its share of property taxes paid by a healthcare information technology and supply company for costs associated with (a) acquiring property for the construction of a 300,000 square-foot regional headquarters and distribution facility and (b) business relocation. The agreement ended during the fiscal year ended December 31, 2019; therefore, no abatement was paid.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. INDIVIDUAL FUND DISCLOSURES

The following funds had deficit fund balances as of December 31, 2019.

| | |
|---|--------------|
| Gaming Tax Fund (nonmajor capital projects) | \$ 2,142,729 |
| TIF District #10 (nonmajor special revenue) | 1,182,200 |
| TIF District #13 (nonmajor special revenue) | 640,098 |
| TIF District #14 (nonmajor special revenue) | 3,028,043 |

Due from/to other funds at December 31, 2019 consist of the following:

| | Due From | Due To |
|-----------------------|-------------------|-------------------|
| General | \$ - | \$ 165 |
| Water and Sewer | 125 | - |
| Nonmajor Governmental | 976,594 | 976,594 |
| Nonmajor Enterprise | 40 | - |
| | \$ 976,759 | \$ 976,759 |
| TOTAL | \$ 976,759 | \$ 976,759 |

The balances reflected in all significant due from/to other funds above are generally related to routine payroll and vendor payments involving charges to multiple city funds. The City expects that the obligations will be liquidated within one year.

Interfund transfers during the year ended December 31, 2019 consisted of the following:

| | Transfer In | Transfer Out |
|-----------------------|----------------------|----------------------|
| General | \$ 2,900,000 | \$ - |
| Debt Service | 4,355,400 | - |
| Water and Sewer | - | 4,500,000 |
| Nonmajor Governmental | 9,601,400 | 7,926,800 |
| Nonmajor Enterprise | - | 4,410,000 |
| | \$ 16,856,800 | \$ 16,836,800 |
| TOTAL | \$ 16,856,800 | \$ 16,836,800 |

The purposes of significant interfund transfers are as follows:

- \$4,355,400 transferred to the Debt Service Fund from other funds. This amount relates to (a) transfers of \$1,000,000 from Gaming Tax Fund, (b) transfers of \$878,900 from Stormwater Management Fee Fund and (c) transfers of \$2,456,500 from Shape Fund for the payment of general obligation bond debt service. The transfer will not be repaid.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. INDIVIDUAL FUND DISCLOSURES (Continued)

- \$9,601,400 transferred to nonmajor governmental funds from other funds. This amount relates to (a) transfers of \$807,500 to the TIF District #3 Fund, \$648,900 to the TIF District #6 Fund, and \$75,000 to the TIF District #7 Fund (all nonmajor special revenue funds) from the Gaming Tax Fund primarily to pay debt service on outstanding tax increment revenue bonds, (b) transfers of \$100,000 to the TIF District #6 Fund and \$210,000 to the SSA One Fund, (c) transfers of \$1,710,000 to the TIF District #9 Funds and \$300,000 to the TIF District #11 Fund from the Golf Fund to fund redevelopment agreements, (d) transfers totaling \$750,000 to the ward projects funds (nonmajor capital projects funds) from the Gaming Tax Fund and Capital Improvements Fund to provide resources for neighborhood capital projects and (e) transfers of \$2,600,000 from the Water and Sewer Fund and \$2,400,000 from the Golf Fund to the Capital Improvements Fund to reallocate resources for capital projects. The transfers will not be repaid.
- \$2,900,000 transferred to the General Fund from other funds. This amount relates to transfers of \$1,900,000 from the Water and Sewer Fund and transfers of \$1,000,000 from nonmajor funds to reallocate resources and maintain fund balances at appropriate levels. The transfer will not be repaid.

| Specific Purpose | Restricted Fund Balance | | | | | | |
|-------------------------------------|-------------------------|-------------------|---------------------|----------------------------|---------------------|----------------------|---------------------|
| | Debt Service | Working Cash | Public Safety | Streets and Transportation | Health and Welfare | Economic Development | Capital Projects |
| Debt Service Requirements | \$ 3,054,307 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Working Cash | - | 463,739 | - | - | - | - | - |
| Public Safety Initiatives | - | - | 2,057,304 | - | - | - | - |
| 911 Capacity Management/Development | - | - | 9,100,158 | - | - | - | - |
| Fire Department | - | - | 1,645,152 | - | - | - | - |
| Police Enforcement | - | - | 1,715,264 | - | - | - | - |
| Street Maintenance and Construction | - | - | - | 11,337,211 | - | - | 632,670 |
| Special Service Areas | - | - | - | 221,540 | - | - | - |
| Street Maintenance Equipment | - | - | - | 186,815 | - | - | - |
| Sanitation | - | - | - | - | 514,935 | - | - |
| Urban Development | - | - | - | - | 178,745 | - | - |
| Stormwater Management | - | - | - | - | 4,243,991 | - | - |
| Combined Sewer Management | - | - | - | - | 2,505,522 | - | - |
| TIF Redevelopment | - | - | - | - | - | 7,252,436 | - |
| Shodeen Project | - | - | - | - | - | 1,607,019 | - |
| Other Capital Purposes | - | - | - | - | - | - | 5,142,905 |
| Property Acquisition | - | - | - | - | - | - | 139 |
| TOTAL RESTRICTED | \$ 3,054,307 | \$ 463,739 | \$14,517,878 | \$11,745,566 | \$ 7,443,193 | \$ 8,859,455 | \$ 5,775,714 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. INDIVIDUAL FUND DISCLOSURES (Continued)

| Specific Purpose | Assigned Fund Balance | | | |
|-------------------------------|-----------------------|--------------------|----------------------|---------------------|
| | Public Safety | Health and Welfare | Capital Projects | Tourism |
| Public Safety Initiatives | \$ 145,804 | \$ - | \$ - | \$ - |
| Sanitation | - | 147,480 | - | - |
| Stormwater Management | - | 648,645 | - | - |
| Combined Sewer Management | - | 157,569 | - | - |
| Roadway and Building Projects | - | - | 8,370,533 | - |
| Ward Fund Capital Projects | - | - | 4,136,972 | - |
| Other Capital Purposes | - | - | - | - |
| Tourism | - | - | - | 1,051,197 |
| TOTAL ASSIGNED | \$ 145,804 | \$ 953,694 | \$ 12,507,505 | \$ 1,051,197 |

16. INTERGOVERNMENTAL AGREEMENT

A. Fox Valley Park District

On September 30, 1989, the Fox Valley Park District (the Park District) entered into an agreement with the City to jointly construct three family aquatic centers for the joint use by the citizens of both governmental agencies. The agreement specifies that the City will finance all construction costs of the centers. The Park District will repay the City 50% of the construction costs on December 31 of each full year of operations at a minimum of \$200,000 per center per year exclusive of any accrued interest on indebtedness incurred by the City and exclusive of any interest on deferred payments from the Park District to the City.

All real estate and all other personal property at said centers shall be titled in the names of the City and the Park District, each to own an individual 50% interest. The Park District agreed to be fully responsible for all daily operations including management and administration of the family aquatic centers. In addition, the principal amount of the receivable to be paid by the Park District is recorded in the Debt Service Fund offset by unavailable revenue in the fund financial statements but recognized as revenue in the government-wide financial statements. During the fiscal year ended December 31, 2019, the Park District paid off the remaining receivable.

B. Fox Metro Water Reclamation District

On April 19, 2006, the Fox Metro Water Reclamation District (the District) entered into an agreement with the City to construct a new sanitary sewer system and other improvements in the downtown area. The agreement specifies that the City will finance all construction costs of the improvements. In return, the District will pay the City 50% of the debt service payments related to the 2006 Waterworks and Sewerage serial revenue bonds as well as additional amounts to be determined upon completion of the improvements.

16. INTERGOVERNMENTAL AGREEMENT (Continued)

B. Fox Metro Water Reclamation District (Continued)

The District shall own, operate and maintain the sanitary sewer improvements. The City shall own, operate and maintain the remaining improvements, which includes certain storm sewer, water main and duct improvements. The principal amount of the receivable to be paid by the District is recorded in the Water and Sewer Fund. The receivable to be paid by the District each year is as follows:

| <u>Year Ending December 31,</u> | |
|-------------------------------------|--------------------------------|
| 2020 | \$ 224,136 |
| 2021 | 229,362 |
| 2022 | 239,870 |
| 2023 | 248,015 |
| 2024 | 256,300 |
| 2025-2029 | 1,433,701 |
| 2030-2034 | 1,769,147 |
| 2035-2039 | <u>827,549</u> |
| TOTAL RECEIVABLE | <u><u>\$ 5,228,080</u></u> |

17. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Administration

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan (the 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 OPEB plan issues a separate report that includes required supplementary information and trend information. This report can be obtained from the Treasurer of the plan at 44 E. Downer Place, Aurora, IL 60507-2067. The activity of the plan is reported in the City's Retiree Health Insurance Trust Fund.

Management of the plan is vested with the plan's Board of Trustees. The Board of Trustees consists of five members: the City's Chief Financial Officer/City Treasurer (ex-officio), the City's Assistant Director of Finance for Accounting and Financial Reporting (ex-officio), the City's Director of Human Resources (ex-officio) and two elected retiree plan participants.

17. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Administration (Continued)

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

B. Benefits Provided

The City provides postemployment health care and life insurance 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 IMRF.

All healthcare benefits are provided through the City's self-insured health 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 age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary, which is a change in the current year. Until a retiree reaches age 65, \$5,000 of life insurance coverage is provided at no cost. The benefits and benefit levels are governed by the City and can be amended by the City through its personnel manual and union contracts.

C. Membership

At December 31, 2019, membership consisted of:

| | |
|---|------------------|
| Inactive Fund Members and Beneficiaries | |
| Currently Receiving Benefits Payments | 591 |
| Inactive Fund Members Entitled to | |
| but not yet Receiving Benefit Payments | - |
| Active Fund Members | <u>979</u> |
| TOTAL | <u>1,570</u> |

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

D. Contributions

In conjunction with the preparation of the annual actuarial valuation for the Retiree Health Insurance Trust Fund, the Retiree Health Insurance Trust Fund's actuary calculates the City's actuarially determined contribution (ADC) for the City's fiscal year after the next. For example, the actuarial valuation as of December 31, 2019 included the ADC for the City's 2021 fiscal year. (The fiscal years of the Retiree Health Insurance Trust Fund and the City both coincide with the calendar year.) Historically, the City has sought to contribute to the Retiree Health Insurance Trust Fund a percentage of the ADC that is more than the anticipated cost of current year claims, but less than 100% of the ADC. The City includes its intended contribution in the annual city budget. The City is responsible for providing the resources to the Retiree Health Insurance Trust Fund necessary to pay the costs of benefits provided under the City's self-insured health plan as specified in collective bargaining agreements and employee compensation plans subject to certain Retiree Health Insurance Trust Fund member sharing of benefit-related costs.

Under the terms of the plan, pursuant to City policy and collective bargaining unit agreements, the retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums. Retirees generally contribute 22% to 40% of the actuarially determined premium, with the City contributing the remainder of the cost. The City has begun to phase in higher premiums and service requirements for newly hired employees (hired after January 1, 2014). If these new requirements are not met, then a retiree is entitled to coverage but must pay 100% of the premium. At age 65, the medical premium is frozen and Medicare eligible retirees are provided a Medicare Supplement Plan. Retirees hired after January 1, 2014 with 20 years of service must pay 50% of the premium (100% if less than 20 years of service). Dental coverage is paid for by the employee/retiree at 100% of the premium. For certain disabled employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime. The City must contribute the amount beyond Retiree Health Insurance Trust Fund member payments necessary to fund the actuarial liability for OPEB. The City may change inactive Retiree Health Insurance Trust Fund member payment requirements through its collective bargaining agreements and employee compensation plans. For the year ended December 31, 2019, the City's contribution was 7.23% of covered payroll.

E. Deposits and Investments

Investment Policy

The cash and investments of the Retiree Health Insurance Trust Fund are held separately from those of the City and are under the control of the Retiree Health Insurance Trust Fund's Board of Trustees.

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

Investment Policy (Continued)

The Retiree Health Insurance Trust Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Retiree Health Insurance Trust Fund’s trust document empowers the Board of Trustees to establish the Retiree Health Insurance Trust Fund’s investment policy. The Board of Trustees operates under an investment policy that was originally approved on May 20, 2008 and amended on May 8, 2014. The Board of Trustees may amend the investment policy by a majority vote. No changes to the investment policy were made during 2019.

Under the terms of the investment policy, the Board of Trustees may invest the assets of the Retiree Health Insurance Trust Fund in stocks traded on major United States of America and non-United States of America exchanges, securities listed on the National Association of Securities Dealers Automated Quotations exchange, mutual funds, commingled funds and real estate investment trusts. Investment graded fixed income securities are also permissible investments. Investments in options, futures, commodities and nonmarketable illiquid investments are prohibited.

The investment policy calls for the following allocation of the Retiree Health Insurance Trust Fund’s assets:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Fixed Income | 40% | 2.50% |
| Domestic Equities | 40% | 7.50% |
| International Equities | 15% | 8.50% |
| Real Estate | 5% | 4.50% |
| Cash and Cash Equivalents | 0% | 0.00% |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

Investment Policy (Continued)

The long-term expected real rates of return shown for the asset classes above are long-term expected returns after adjustment to eliminate inflation.

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that in the event of a bank's failure, the Retiree Health Insurance Trust Fund's deposits may not be returned to them. The Retiree Health Insurance Trust Fund requires pledging of collateral with a fair value of 110% for all depository accounts, time deposit accounts, money market mutual funds or investments in certificates of deposits of financial institutions in excess of FDIC. The collateral is required to be held by an independent third-party depository or the Federal Reserve Bank in the Retiree Health Insurance Trust Fund's name.

Interest Rate Risk

The following table presents the investments and maturities of the Retiree Health Insurance Trust Fund's investment in debt securities as of December 31, 2019:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|-----------------------------|----------------------|----------------------------------|---------------------|---------------------|---------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury Obligations | \$ 6,115,032 | \$ - | \$ 3,994,165 | \$ 2,120,867 | \$ - |
| U.S. Agency Obligations | 5,636,506 | 144,954 | 225,661 | 253,295 | 5,012,596 |
| State and Local Obligations | 235,887 | - | 65,258 | 170,629 | - |
| Mortgage Obligations | 1,654,648 | - | 1,390,103 | - | 264,545 |
| Foreign Bonds | 504,440 | - | 365,709 | 138,731 | - |
| Corporate Bonds | 2,802,608 | - | 1,354,293 | 1,448,315 | - |
| TOTAL | \$ 16,949,121 | \$ 144,954 | \$ 7,395,189 | \$ 4,131,837 | \$ 5,277,141 |

The City's Retiree Health Insurance Trust Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. Treasury obligations are valued using trade platform data (Level 1 inputs). The U.S. agency obligations and foreign bonds are valued using multi-dimensional relational models (Level 2 inputs). The state and local obligations and corporate bonds, are valued based on quoted matrix pricing models (Level 2 inputs). The mortgage obligations are valued using multi-dimensional spread tales (Level 2 inputs).

The City's Retiree Health Insurance Trust Fund also has Domestic and International Equity securities valued using quoted prices (Level 1 inputs) and Real Estate Investment Trusts, measured based on the value of appraisals (Level 3 inputs).

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

In accordance with its investment policy, the Retiree Health Insurance Trust Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Retiree Health Insurance Trust Fund.

Credit Risk

The Retiree Health Insurance Trust Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government or money market mutual funds that are primarily invested in U.S. Treasury and agency obligations that are explicitly or implicitly guaranteed by the United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. Additionally, the U.S. agency obligations that consist of FHLMC securities are rated Aaa by a national rating agency. The Retiree Health Insurance Trust Fund's U.S. agency obligations consist of FHLMC and FNMA securities, which were rated N/A. The state and local government bonds are rated Aa2 to Aa1. The corporate bonds, foreign bonds, and mortgage obligations are rated Baa3 to Aaa.

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Retiree Health Insurance Trust Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Retiree Health Insurance Trust Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Retiree Health Insurance Trust Fund's agent separate from where the investment was purchased in the Retiree Health Insurance Trust Fund's name. The money market mutual funds are not subject to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The investment policy states that the plan's assets shall be diversified to reduce the risk of large losses. There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of plan's investments.

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Net OPEB Liability

Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on Retiree Health Insurance Trust Fund investments, net of Retiree Health Insurance Trust Fund investment expense, was 16.81%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The City's net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The total OPEB liability, after considering the sharing of benefit-related costs with inactive Retiree Health Insurance Trust Fund members, was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions:

| | |
|--|--|
| Actuarial Valuation Date | December 31, 2019 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Inflation | 2.50% |
| Investment Rate of Return (Net of Fund Investment Expense, Including Inflation) | 6.50% |
| Healthcare Cost Trend Rates | 7.50% in Fiscal 2019, trending to 5.25% in Fiscal 2029, and an ultimate trend rate of 4.00% in 2075. |
| Asset Valuation Method | Fair Value |

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Net OPEB Liability (Continued)

Rate of Return (Continued)

Mortality rates were based on the RP-2014 Blue Collar table for active and retired participants in the Illinois Municipal Retirement Fund. For participants in the City of Aurora Firefighters' Pension Plan and the City of Aurora Police Officers' Pension Plan, rates were updated to reflect the PubS-2010 tables.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study performed in 2019.

The long-term rate of return on Retiree Health Insurance Trust Fund investments was determined using a building block-block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2019 are indicated on previous page.

G. Discount Rate

The discount rate used to measure the total OPEB liability was 4.01% (4.21% in 2018). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Retiree Health Insurance Trust Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current Retiree Health Insurance Trust Fund members for more than 19 years after December 31, 2019. Therefore, the long-term expected rate of return on Retiree Health Insurance Trust Fund plan investments at 6.50% was blended with the index rate of 3.26% (4.10% in 2018) for tax exempt general obligation municipal bonds rated AA or better published in the bond buyer at December 31, 2019 to arrive at a discount rate of 4.01% (4.21% in 2018) used to determine the total OPEB liability.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. Changes in the Net OPEB Liability

| | (a) Total OPEB Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net OPEB Liability |
|--|--------------------------------|---------------------------------------|------------------------------------|
| BALANCES AT JANUARY 1, 2019 | \$ 218,377,454 | \$ 40,622,725 | \$ 177,754,729 |
| Changes for the Period | | | |
| Service Cost | 6,576,194 | - | 6,576,194 |
| Interest | 9,360,782 | - | 9,360,782 |
| Changes of Benefit Terms | - | - | - |
| Difference Between Expected and Actual Experience | 11,922,534 | - | 11,922,534 |
| Changes in Assumptions | 678,151 | - | 678,151 |
| Employer Contributions | - | 6,413,190 | (6,413,190) |
| Employee Contributions | - | - | - |
| Net Investment Income | - | 6,787,652 | (6,787,652) |
| Benefit Payments and Refunds | (5,268,904) | (5,268,904) | - |
| Administrative Expense | - | (19,534) | 19,534 |
| Net Changes | 23,268,757 | 7,912,404 | 15,356,353 |
| BALANCES AT DECEMBER 31, 2019 | \$ 241,646,211 | \$ 48,535,129 | \$ 193,111,082 |

In 2019, changes in assumptions related to the discount rate were made (4.21% to 4.01%) and changes to the healthcare trend rate to reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

I. Rate Sensitivity

The following is a sensitive analysis of the net OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the net OPEB liability of the City calculated using the discount rate of 4.01% as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.01%) or 1 percentage point higher (5.01%) than the current rate:

| | 1% Decrease (3.01%) | Current Discount Rate (4.01%) | 1% Increase (5.01%) |
|--------------------|------------------------|-------------------------------------|------------------------|
| Net OPEB Liability | \$ 234,599,196 | \$ 193,111,082 | \$ 160,276,690 |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

17. OTHER POSTEMPLOYMENT BENEFITS (Continued)

I. Rate Sensitivity (Continued)

The table below presents the net OPEB liability of the City calculated using the healthcare rate of 4% to 7.50% as well as what the City's net OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3% to 6.50%) or 1 percentage point higher (5% to 8.50%) than the current rate:

| | 1% Decrease (3% to 6.50%) | Current Healthcare Rate (4% to 7.50%) | 1% Increase (5% to 8.50%) |
|--------------------|------------------------------|---|------------------------------|
| Net OPEB Liability | \$ 149,442,330 | \$ 193,111,082 | \$ 250,542,777 |

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the City recognized OPEB expense of \$29,417,799. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference Between Expected and Actual Experience | \$ 10,219,314 | \$ 7,989,554 |
| Changes in Assumption | 86,613,964 | 15,948,844 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 2,476,620 |
| TOTAL | \$ 96,833,278 | \$ 26,415,018 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

| Year Ending December 31, | |
|-----------------------------|----------------------|
| 2020 | \$ 16,138,324 |
| 2021 | 15,906,245 |
| 2022 | 16,464,457 |
| 2023 | 15,899,050 |
| 2024 | 767,843 |
| Thereafter | 5,242,341 |
| TOTAL | \$ 70,418,260 |

18. SUBSEQUENT EVENT

Beginning around March 2020, the COVID-19 virus has been declared a global pandemic as it continues to spread rapidly. As a result, equity investments of the Police Fund, Firefighters' Fund, and Retiree Health Insurance Fund have experienced significant declines in quoted prices on active markets. Management of the Funds are carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

19. COMPONENT UNIT - AURORA PUBLIC LIBRARY

A. Financial Information

Financial statements for the Aurora Public Library (the Library), including government-wide and fund financial statements, are available in the Library's separately audited financial statements as of December 31, 2019, which can be obtained from the Library's administrative offices located at 101 S. River Street, Aurora, Illinois 60505.

The Library has determined that the Aurora Public Library Foundation meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14*, which has resulted in the Aurora Public Library Foundation (the Foundation) being reported as a discretely presented component unit of the Library as it is legally separate from the Library. Separate financial statements for the Aurora Public Library Foundation are available by contacting the Foundation at, 101 S. River Street, Aurora, Illinois 60505.

B. Deposits and Investments

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Permitted Deposits and Investments - In accordance with the City's investment policy, the Library's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments 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.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

19. COMPONENT UNIT - AURORA PUBLIC LIBRARY

B. Deposits and Investments (Continued)

Investments in The Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Library’s fair value of the pool.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the Library’s deposits may not be returned to it. The City’s investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with collateral held by the City’s agent in the City’s name.

Library Investments

The following table presents the investments and maturities of the Library’s debt securities as of December 31, 2019:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|---------------------|---------------------|----------------------------------|-------------|-------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury Notes | \$ 2,492,035 | \$ 2,492,035 | \$ - | \$ - | \$ - |
| TOTAL | \$ 2,492,035 | \$ 2,492,035 | \$ - | \$ - | \$ - |

In accordance with the City’s investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the Library does not directly invest in securities maturing more than three years from the date of purchase.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and U.S. agency notes and state and local obligations rated in the highest three categories by national rating agencies.

19. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Library Investments (Continued)

The Library has the following recurring fair value measurements as of December 31, 2019: The U.S. Treasury Notes are valued using quoted matrix pricing models (Level 2 inputs).

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the City's agent in the City's name, separate from where the investment was purchased. The money market mutual funds are not subject to custodial credit risk.

Concentration of credit risk - the investment portfolio of the Library shall not exceed the diversification standards below:

| Diversification by Instrument | Percent of Portfolio |
|-------------------------------|----------------------|
| Commercial Paper | 10% |
| The Illinois Funds | 50% |

No financial institution shall hold more than 20% of the Library's total investment portfolio. Furthermore, the amount of monies deposited and/or invested in a financial institution shall not exceed 75% of the capital stock and surplus of such institution.

The City's investment policy does not specifically prohibit the use of or the investment in derivatives.

C. Receivables

Property taxes for 2019 attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a tax levy ordinance), December 20 in the current fiscal year. Taxes levied in one year become due and payable in two installments, on or about June 1 and September 1 of the following year. The 2019 levy is intended to finance the 2020 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2019.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

19. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

D. Capital Assets

The following is a summary of the capital asset activity for the year ended December 31, 2019:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|-----------------------|---------------------|-------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital Assets not Being Depreciated | | | | |
| Land and Land Improvements | \$ 3,378,686 | \$ - | \$ - | \$ 3,378,686 |
| Construction in Progress | - | - | - | - |
| Total Capital Assets not Being Depreciated | <u>3,378,686</u> | - | - | <u>3,378,686</u> |
| Capital Assets Being Depreciated | | | | |
| Buildings | 40,044,879 | - | - | 40,044,879 |
| Machinery and Equipment | 1,797,811 | - | - | 1,797,811 |
| Vehicles | 210,059 | - | - | 210,059 |
| Total Capital Assets Being Depreciated | <u>42,052,749</u> | - | - | <u>42,052,749</u> |
| Less Accumulated Depreciation for | | | | |
| Buildings | 5,903,793 | 800,898 | - | 6,704,691 |
| Machinery and Equipment | 730,433 | 166,333 | - | 896,766 |
| Vehicles | 210,057 | - | - | 210,057 |
| Total Accumulated Depreciation | <u>6,844,283</u> | <u>967,231</u> | - | <u>7,811,514</u> |
| Total Capital Assets Being Depreciated, Net | <u>35,208,466</u> | <u>(967,231)</u> | - | <u>34,241,235</u> |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$ 38,587,152</u> | <u>\$ (967,231)</u> | <u>\$ -</u> | <u>\$ 37,619,921</u> |

Depreciation expense was charged to functions/programs of the governmental activities as follows:

| | |
|-------------------------------------|-------------------|
| GOVERNMENTAL ACTIVITIES | |
| Culture and Recreation | <u>\$ 967,231</u> |
| TOTAL DEPRECIATION EXPENSE - | |
| GOVERNMENTAL ACTIVITIES | <u>\$ 967,231</u> |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

19. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

E. Long-Term Debt

1. Bonds payable at December 31, 2019 are comprised of the following:

General Obligation Bonds

\$2,740,000 2011 Corporate Purpose refunding serial bonds, due in annual installments of \$95,000 to \$330,000 from December 30, 2012 to December 30, 2022, interest from 2% to 3%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy. \$ 525,000

\$19,200,000 2012A Corporate Purpose serial bonds, due in annual installments of \$145,000 to \$1,095,000 from December 30, 2013 to December 30, 2041, interest from 3% to 4%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy. 17,420,000

TOTAL \$ 17,945,000

2. Debt Service to Maturity

Annual debt service requirements to maturity are as follows:

| Year Ending December 31, | Corporate Purpose Serial Bonds | |
|-----------------------------|-----------------------------------|---------------------|
| | Principal | Interest |
| 2020 | \$ 620,000 | \$ 606,319 |
| 2021 | 635,000 | 587,719 |
| 2022 | 650,000 | 568,669 |
| 2023 | 660,000 | 549,169 |
| 2024 | 675,000 | 529,369 |
| 2025-2029 | 3,630,000 | 2,333,041 |
| 2030-2034 | 4,135,000 | 1,738,044 |
| 2035-2039 | 4,790,000 | 988,925 |
| 2040-2044 | 2,150,000 | 129,800 |
| TOTAL | <u>\$ 17,945,000</u> | <u>\$ 8,031,055</u> |

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

19. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

E. Long-Term Debt (Continued)

3. Changes in Long-Term Debt

Changes in long-term debt during the year ended December 31, 2019 is as follows:

| | Balance January 1 | Additions | Deletions | Balance December 31 | Current Portion |
|--------------------------|----------------------|---------------------|---------------------|------------------------|--------------------|
| General Obligation Bonds | \$ 18,550,000 | \$ - | \$ 605,000 | \$ 17,945,000 | \$ 620,000 |
| Compensated Absences | 530,664 | 505,729 | 530,664 | 505,729 | 25,286 |
| Net Pension Liability | 2,112,997 | 4,096,635 | - | 6,209,632 | - |
| Total Other | | | | | |
| Postemployment | | | | | |
| Benefit Liability | 94,573 | 14,711 | - | 109,284 | 6,557 |
| Unamortized Bond Premium | 344,354 | - | 27,165 | 317,189 | - |
| TOTAL | \$ 21,632,588 | \$ 4,617,075 | \$ 1,162,829 | \$ 25,086,834 | \$ 651,843 |

F. Endowment

The Foundation's endowment consists of donor-restricted endowment funds. As required by GAAP, net position associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. As of December 31, 2019, all endowment assets were permanently restricted.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation's spending policy provides that only the income from endowments may be used for the general purposes of the Foundation, with the Foundation withdrawing current income as it is needed.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended December 31, 2019

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|----------------------|--------------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 73,388,700 | \$ 73,388,700 | \$ 73,842,794 | \$ 454,094 |
| Other Taxes | 84,991,000 | 84,991,000 | 91,783,837 | 6,792,837 |
| Intergovernmental | 2,549,000 | 2,636,500 | 1,318,474 | (1,318,026) |
| Licenses, Fees and Permits | 8,600,250 | 8,600,250 | 9,000,790 | 400,540 |
| Charges for Services | 5,459,600 | 5,469,600 | 6,547,957 | 1,078,357 |
| Fines | 3,605,350 | 3,605,350 | 4,515,397 | 910,047 |
| Interest | 151,100 | 151,100 | 510,400 | 359,300 |
| Other | 334,001 | 334,001 | 407,800 | 73,799 |
| Total Revenues | 179,079,001 | 179,176,501 | 187,927,449 | 8,750,948 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 27,437,180 | 27,656,980 | 24,376,617 | (3,280,363) |
| Public Safety | 126,480,688 | 131,434,338 | 131,433,919 | (419) |
| Streets and Transportation | 12,464,624 | 12,736,824 | 11,760,544 | (976,280) |
| Health and Welfare | 7,309,920 | 7,284,420 | 6,470,162 | (814,258) |
| Culture and Recreation | 6,999,711 | 7,026,111 | 5,736,956 | (1,289,155) |
| Economic Development | 1,374,628 | 1,378,128 | 1,916,270 | 538,142 |
| Total Expenditures | 182,066,751 | 187,516,801 | 181,694,468 | (5,822,333) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (2,987,750) | (8,340,300) | 6,232,981 | 14,573,281 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 2,900,000 | 2,900,000 | 2,900,000 | - |
| Total Other Financing Sources (Uses) | 2,900,000 | 2,900,000 | 2,900,000 | - |
| NET CHANGE IN FUND BALANCE | \$ (87,750) | \$ (5,440,300) | 9,132,981 | \$ 14,573,281 |
| FUND BALANCE, JANUARY 1 | | | 24,530,715 | |
| FUND BALANCE, DECEMBER 31 | | | \$ 33,663,696 | |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Five Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|--------------------|---------------------|---------------------|---------------------|---------------|
| Actuarially Determined Contribution | \$ 5,770,530 | \$ 5,706,754 | \$ 5,849,885 | \$ 5,888,075 | \$ 5,280,367 |
| Contributions in Relation to the Actuarially Determined Contribution | 5,839,213 | 6,299,510 | 6,674,256 | 6,778,730 | 5,280,367 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ (68,683) | \$ (592,756) | \$ (824,371) | \$ (890,655) | \$ - |
| Covered Payroll | \$ 43,782,477 | \$ 42,524,247 | \$ 43,852,214 | \$ 45,050,308 | \$ 45,802,485 |
| Contributions as a Percentage of Covered Payroll | 13.34% | 14.81% | 15.22% | 15.05% | 11.53% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

POLICE PENSION FUND

Last Ten Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-----------------|--------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Actuarially Determined Contribution | \$ 9,900,829 | \$ 10,349,019 | \$ 8,254,277 | \$ 8,834,754 | \$ 10,091,124 | \$ 11,515,940 | \$ 11,651,147 | \$ 12,863,549 | \$ 14,527,017 | \$ 15,351,145 |
| Contributions in Relation to the Actuarially Determined Contribution | 9,901,400 | 10,364,821 | 8,270,619 | 8,858,531 | 10,092,419 | 11,571,764 | 11,672,490 | 12,961,109 | 14,593,748 | 15,422,862 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ (571) | \$ (15,802) | \$ (16,342) | \$ (23,777) | \$ (1,295) | \$ (55,824) | \$ (21,343) | \$ (97,560) | \$ (66,731) | \$ (71,717) |
| Covered Payroll | \$ 25,007,815 | \$ 25,922,346 | \$ 26,708,019 | \$ 26,912,214 | \$ 26,802,659 | \$ 29,698,289 | \$ 29,787,822 | \$ 29,182,237 | \$ 32,478,915 | \$ 34,473,751 |
| Contributions as a Percentage of Covered Payroll | 39.59% | 39.98% | 30.97% | 32.92% | 37.65% | 38.96% | 39.19% | 44.41% | 44.93% | 44.74% |

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was projected unit credit; the amortization method was level percentage of pay, 90% closed basis, the interest rate assumption was 6.50% and the amortization period was 21 years.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-----------------|--------------------|--------------------|--------------------|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Actuarially Determined Contribution | \$ 8,268,060 | \$ 8,558,590 | \$ 7,366,525 | \$ 7,576,605 | \$ 8,014,252 | \$ 9,948,313 | \$ 9,801,110 | \$ 10,404,037 | \$ 11,606,276 | \$ 12,142,131 |
| Contributions in Relation to the Actuarially Determined Contribution | 8,268,900 | 8,574,474 | 7,380,005 | 7,597,704 | 8,014,740 | 9,996,199 | 9,811,122 | 10,491,826 | 11,660,332 | 12,200,204 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ (840) | \$ (15,884) | \$ (13,480) | \$ (21,099) | \$ (488) | \$ (47,886) | \$ (10,012) | \$ (87,789) | \$ (54,056) | \$ (58,073) |
| Covered Payroll | \$ 18,711,049 | \$ 18,653,043 | \$ 19,252,373 | \$ 19,977,316 | \$ 19,610,825 | \$ 21,095,259 | \$ 20,990,705 | \$ 22,996,168 | \$ 24,702,805 | \$ 25,612,345 |
| Contributions as a Percentage of Covered Payroll | 44.19% | 45.97% | 38.33% | 38.03% | 40.87% | 47.39% | 46.74% | 45.62% | 47.20% | 47.63% |

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was projected unit credit; the amortization method was level percentage of pay, 90% closed basis, the interest rate assumption was 6.50% and the amortization period was 21 years.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

RETIREE HEALTH INSURANCE TRUST FUND

Last Ten Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| Actuarially Determined Contribution | \$ 12,361,724 | \$ 11,773,685 | \$ 11,182,621 | \$ 13,251,599 | \$ 13,904,908 | \$ 14,044,926 | \$ 16,088,362 | \$ 20,843,783 | \$ 15,076,211 | \$ 11,761,313 |
| Contributions in Relation to the Actuarially Determined Contribution | 4,548,786 | 4,580,046 | 5,380,735 | 6,116,378 | 7,437,793 | 8,058,388 | 8,959,041 | 1,366,830 | 5,971,018 | 6,413,190 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ 7,812,938 | \$ 7,193,639 | \$ 5,801,886 | \$ 7,135,221 | \$ 6,467,115 | \$ 5,986,538 | \$ 7,129,321 | \$ 19,476,953 | \$ 9,105,193 | \$ 5,348,123 |
| Covered Payroll | \$ 64,712,359 | \$ 65,237,549 | \$ 72,083,003 | \$ 67,057,641 | \$ 74,988,337 | \$ 80,907,445 | \$ 80,109,392 | \$ 81,178,233 | \$ 86,319,274 | \$ 88,730,631 |
| Contributions as a Percentage of Covered Payroll | 7.03% | 7.02% | 7.46% | 9.12% | 9.92% | 9.96% | 11.18% | 1.68% | 6.92% | 7.23% |

Notes to Required Supplementary Information

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of the prior fiscal year.

Methods and Assumptions Used to Determine Contribution Rates:

| | |
|-------------------------------|--|
| Actuarial Cost Method | Entry-Age Normal |
| Amortization Method | Level Percent of Pay, Open |
| Remaining Amortization period | 20 Years |
| Asset Valuation Method | Market |
| Inflation | 2.50% |
| Healthcare Cost Trend Rate | 7.50% in Fiscal 2019, Trending to 5.25% in Fiscal 2029 and an Ultimate Trend Rate of 4% in 2075 (Changed from 8% in 2018) |
| Investment Rate of Return | 5.50% |
| Retirement Age | Various |
| Mortality | Mortality rates were based on the RP-2014 Blue Collar table for active and retired participants in the Illinois Municipal Retirement Fund. For participants in the City of Aurora Firefighters' Pension Plan and the City of Aurora Police Officers' Pension Plan, rates were updated to reflect the PubS-2010 tables. |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

ILLINOIS MUNICIPAL RETIREMENT FUND

Last Five Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| TOTAL PENSION LIABILITY | | | | | |
| Service Cost | \$ 4,649,953 | \$ 4,577,421 | \$ 4,790,542 | \$ 4,500,576 | \$ 4,233,343 |
| Interest | 16,130,694 | 17,718,137 | 18,938,382 | 19,347,631 | 19,902,436 |
| Changes of Benefit Terms | - | - | - | - | - |
| Differences Between Expected and Actual Experience | 2,605,142 | 4,356,760 | (6,628,674) | 4,886,358 | 4,275,871 |
| Changes of Assumptions | 7,866,109 | 655,264 | (1,304,599) | (8,472,798) | 8,322,271 |
| Benefit Payments, Including Refunds of Member Contributions | (9,389,805) | (10,020,632) | (10,823,208) | (12,272,713) | (13,188,789) |
| Net Change in Total Pension Liability | 21,862,093 | 17,286,950 | 4,972,443 | 7,989,054 | 23,545,132 |
| Total Pension Liability - Beginning | 217,733,000 | 239,595,093 | 256,882,043 | 261,854,486 | 269,843,540 |
| TOTAL PENSION LIABILITY - ENDING | \$ 239,595,093 | \$ 256,882,043 | \$ 261,854,486 | \$ 269,843,540 | \$ 293,388,672 |
| PLAN FIDUCIARY NET POSITION | | | | | |
| Contributions - Employer | \$ 5,692,841 | \$ 5,839,213 | \$ 6,299,510 | \$ 6,674,256 | \$ 6,778,730 |
| Contributions - Member | 1,937,587 | 1,970,212 | 1,966,698 | 2,021,702 | 2,130,252 |
| Net Investment Income | 12,140,218 | 1,043,357 | 14,345,136 | 38,382,694 | (13,599,319) |
| Benefit Payments, Including Refunds of Member Contributions | (9,389,805) | (10,020,632) | (10,823,208) | (12,272,713) | (13,188,789) |
| Administrative Expense | (503,484) | 191,902 | (1,133,379) | (3,874,919) | 3,702,032 |
| Net Change in Plan Fiduciary Net Position | 9,877,357 | (975,948) | 10,654,757 | 30,931,020 | (14,177,094) |
| Plan Fiduciary Net Position - Beginning | 199,899,648 | 209,777,005 | 208,801,057 | 219,455,814 | 250,386,834 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 209,777,005 | \$ 208,801,057 | \$ 219,455,814 | \$ 250,386,834 | \$ 236,209,740 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 29,818,088 | \$ 48,080,986 | \$ 42,398,672 | \$ 19,456,706 | \$ 57,178,932 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 87.60% | 81.30% | 83.80% | 92.80% | 80.50% |
| Covered Payroll | \$ 40,915,057 | \$ 43,782,477 | \$ 42,524,247 | \$ 43,852,214 | \$ 45,050,308 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 72.90% | 109.80% | 99.70% | 44.40% | 126.90% |

In 2015, changes in assumptions related to investment rate of return and retirement age and mortality were made since the prior measurement date.

In 2016, changes in assumptions related to retirement age and mortality were made since the prior measurement date.

In 2017, there were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

In 2018, there were no benefit changes during the year. Changes in assumptions related to the mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

POLICE PENSION FUND

Last Six Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| TOTAL PENSION LIABILITY | | | | | | |
| Service Cost | \$ 7,426,768 | \$ 8,690,520 | \$ 9,025,121 | \$ 9,303,596 | \$ 8,649,322 | \$ 9,071,447 |
| Interest | 20,900,924 | 22,094,899 | 23,271,224 | 25,690,744 | 26,247,498 | 29,062,097 |
| Changes of Benefit Terms | - | - | - | - | - | 996,940 |
| Differences Between Expected and Actual Experience | (3,884,620) | 1,733,291 | (4,526,173) | (1,622,956) | 17,014,213 | (3,953,040) |
| Changes of Assumptions | 12,703,751 | 3,625,322 | 24,285,746 | 11,050,031 | (3,734,280) | 26,438,399 |
| Benefit Payments, Including Refunds of Member Contributions | (11,942,967) | (12,845,770) | (14,034,221) | (15,014,938) | (15,853,359) | (16,714,714) |
| Net Change in Total Pension Liability | 25,203,856 | 23,298,262 | 38,021,697 | 29,406,477 | 32,323,394 | 44,901,129 |
| Total Pension Liability - Beginning | 326,046,895 | 351,250,751 | 374,549,013 | 412,570,710 | 441,977,187 | 474,300,581 |
| TOTAL PENSION LIABILITY - ENDING | \$ 351,250,751 | \$ 374,549,013 | \$ 412,570,710 | \$ 441,977,187 | \$ 474,300,581 | \$ 519,201,710 |
| PLAN FIDUCIARY NET POSITION | | | | | | |
| Contributions - Employer | \$ 10,092,419 | \$ 11,571,764 | \$ 11,672,490 | \$ 12,961,109 | \$ 14,593,748 | \$ 15,422,862 |
| Contributions - Member | 2,936,722 | 3,805,258 | 3,384,895 | 3,410,505 | 3,415,938 | 3,429,359 |
| Net Investment Income | 9,276,149 | 1,173,247 | 11,189,486 | 28,271,009 | (7,356,253) | 36,010,677 |
| Benefit Payments, Including Refunds of Member Contributions | (11,942,967) | (12,845,770) | (14,034,221) | (15,014,938) | (15,853,359) | (16,714,714) |
| Administrative Expense | (81,875) | (50,958) | (36,510) | (48,376) | (64,068) | (62,087) |
| Net Change in Plan Fiduciary Net Position | 10,280,448 | 3,653,541 | 12,176,140 | 29,579,309 | (5,263,994) | 38,086,097 |
| Plan Fiduciary Net Position - Beginning | 163,795,849 | 174,076,297 | 177,729,838 | 189,905,978 | 219,485,287 | 214,221,293 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 174,076,297 | \$ 177,729,838 | \$ 189,905,978 | \$ 219,485,287 | \$ 214,221,293 | \$ 252,307,390 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 177,174,454 | \$ 196,819,175 | \$ 222,664,732 | \$ 222,491,900 | \$ 260,079,288 | \$ 266,894,320 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 49.60% | 47.50% | 46.00% | 49.70% | 45.20% | 48.60% |
| Covered Payroll | \$ 26,802,659 | \$ 29,698,289 | \$ 29,787,822 | \$ 29,182,237 | \$ 32,478,915 | \$ 34,473,751 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 661.00% | 662.70% | 747.50% | 762.40% | 800.80% | 774.20% |

There was a change in 2015 with respect to actuarial assumptions from the prior year to include assumed administrative expenses.

There was a change in 2016 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

There was a change in 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to retirement, termination, disability rates and discount rates.

There was a change in 2018 with respect to actuarial assumptions from the prior year that mortality rates were updated to reflect the PubS-2010 tables.

There was a change in 2019 with respect to actuarial assumptions from the prior year to Tier 2 benefits and to reflect revised expectations with respect to discount rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

FIREFIGHTERS' PENSION FUND

Last Six Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | | | | | |
| Service Cost | \$ 5,985,500 | \$ 7,066,326 | \$ 7,367,311 | \$ 7,269,588 | \$ 7,237,547 | \$ 7,425,360 |
| Interest | 16,210,812 | 17,099,622 | 18,138,200 | 20,143,311 | 20,260,016 | 22,223,260 |
| Changes of Benefit Terms | - | - | - | - | - | 912,924 |
| Differences Between Expected and Actual Experience | (2,446,652) | 4,467,361 | (403,202) | (3,897,188) | 9,167,937 | 4,952,322 |
| Changes of Assumptions | 8,646,419 | 3,427,566 | 19,351,814 | 7,121,858 | (2,063,587) | 19,632,276 |
| Benefit Payments, Including Refunds of Member Contributions | (10,244,211) | (11,093,294) | (12,155,895) | (12,821,164) | (13,520,059) | (14,441,580) |
| Net Change in Total Pension Liability | 18,151,868 | 20,967,581 | 32,298,228 | 17,816,405 | 21,081,854 | 40,704,562 |
| Total Pension Liability - Beginning | 252,615,425 | 270,767,293 | 291,734,874 | 324,033,102 | 341,849,507 | 362,931,361 |
| TOTAL PENSION LIABILITY - ENDING | \$270,767,293 | \$291,734,874 | \$324,033,102 | \$341,849,507 | \$362,931,361 | \$403,635,923 |
| PLAN FIDUCIARY NET POSITION | | | | | | |
| Contributions - Employer | \$ 8,014,740 | \$ 9,996,199 | \$ 9,811,122 | \$ 10,491,826 | \$ 11,660,331 | \$ 12,200,204 |
| Contributions - Member | 1,973,576 | 1,999,670 | 1,996,917 | 2,056,982 | 2,155,630 | 2,513,363 |
| Net Investment Income | 7,332,222 | 785,543 | 9,041,925 | 22,618,360 | (5,797,989) | 28,154,478 |
| Benefit Payments, Including Refunds of Member Contributions | (10,244,211) | (11,093,294) | (12,155,895) | (12,821,164) | (13,520,059) | (14,441,580) |
| Administrative Expense | (56,162) | (53,898) | (63,922) | (51,872) | (90,747) | (43,924) |
| Net Change in Plan Fiduciary Net Position | 7,020,165 | 1,634,220 | 8,630,147 | 22,294,132 | (5,592,834) | 28,382,541 |
| Plan Fiduciary Net Position - Beginning | 132,575,572 | 139,595,737 | 141,229,957 | 149,860,104 | 172,154,236 | 166,561,402 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$139,595,737 | \$141,229,957 | \$149,860,104 | \$172,154,236 | \$166,561,402 | \$194,943,943 |
| EMPLOYER'S NET PENSION LIABILITY | \$131,171,556 | \$150,504,917 | \$174,172,998 | \$169,695,271 | \$196,369,959 | \$208,691,980 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 51.60% | 48.40% | 46.20% | 50.40% | 45.90% | 48.30% |
| Covered Payroll | \$ 19,610,825 | \$ 21,095,259 | \$ 20,990,705 | \$ 22,996,168 | \$ 24,702,805 | \$ 25,612,345 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 668.90% | 713.50% | 829.80% | 737.90% | 794.90% | 814.80% |

There was a change in 2015 with respect to actuarial assumptions from the prior year to include assumed administrative expenses.

There was a change in 2016 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

There was a change in 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to retirement, termination, disability rates and discount rates.

There was a change in 2018 with respect to actuarial assumptions from the prior year that mortality rates were updated to reflect the PubS-2010 tables.

There was a change in 2019 with respect to actuarial assumptions from the prior year to Tier 2 benefits and to reflect revised expectations with respect to discount rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET OPEB LIABILITY AND RELATED RATIOS

RETIREE HEALTH INSURANCE TRUST FUND

Last Five Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| TOTAL OPEB LIABILITY | | | | | |
| Service Cost | \$ 6,878,917 | \$ 7,193,971 | \$ 11,871,127 | \$ 13,153,413 | \$ 6,576,194 |
| Interest | 11,356,166 | 11,900,898 | 17,130,792 | 13,374,265 | 9,360,782 |
| Changes of Benefit Terms | - | - | (78,588,900) | (143,567,450) | - |
| Differences Between Expected and Actual Experience | - | (609,914) | (1,891,401) | (8,993,129) | 11,922,534 |
| Changes of Assumptions | - | 128,236,586 | 32,871,596 | (22,328,382) | 678,151 |
| Benefit Payments | (7,477,497) | (5,901,415) | (6,621,879) | (4,421,365) | (5,268,904) |
| Net Change in Total OPEB Liability | 10,757,586 | 140,820,126 | (25,228,665) | (152,782,648) | 23,268,757 |
| Total OPEB Liability - Beginning | 244,811,055 | 255,568,641 | 396,388,767 | 371,160,102 | 218,377,454 |
| TOTAL OPEB LIABILITY - ENDING | \$ 255,568,641 | \$ 396,388,767 | \$ 371,160,102 | \$ 218,377,454 | \$ 241,646,211 |
| PLAN FIDUCIARY NET POSITION | | | | | |
| Contributions - Employer | \$ 8,058,388 | \$ 8,959,041 | \$ 1,366,830 | \$ 5,971,018 | \$ 6,413,190 |
| Net Investment Income | 831,424 | 1,627,422 | 5,618,924 | (601,745) | 6,787,652 |
| Benefit Payments | (7,477,497) | (5,901,415) | (6,621,879) | (4,421,365) | (5,268,904) |
| Administrative Expense | (14,473) | (17,388) | (21,493) | (20,483) | (19,534) |
| Net Change in Plan Fiduciary Net Position | 1,397,842 | 4,667,660 | 342,382 | 927,425 | 7,912,404 |
| Plan Fiduciary Net Position - Beginning | 33,287,416 | 34,685,258 | 39,352,918 | 39,695,300 | 40,622,725 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 34,685,258 | \$ 39,352,918 | \$ 39,695,300 | \$ 40,622,725 | \$ 48,535,129 |
| EMPLOYER'S NET OPEB LIABILITY | \$ 220,883,383 | \$ 357,035,849 | \$ 331,464,802 | \$ 177,754,729 | \$ 193,111,082 |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 13.60% | 9.90% | 10.70% | 18.60% | 20.10% |
| Covered-employee Payroll | \$ 80,907,445 | \$ 80,109,392 | \$ 81,178,233 | \$ 86,319,274 | \$ 88,730,631 |
| Employer's Net OPEB Liability as a Percentage of Covered-employee Payroll | 273.00% | 445.70% | 408.30% | 205.90% | 217.60% |

In 2016, changes in assumptions related to the discount rate were made (4.58% to 4.23%) and changes to the healthcare trend rate to reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

In 2017, changes in assumptions related to the discount rate were made (4.23% to 3.50%) and changes to the investment rate of returns. There was also a change in benefits related to post 65 retirees.

In 2018, changes in assumptions related to the discount rate were made (3.50% to 4.21%) and changes to the investment rate of returns.

In 2019, changes in assumptions related to the discount rate were made (4.21% to 4.01%), updates to health care claims and premiums, updates to healthcare trend rates and updates to mortality scales.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Six Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return, Net of Investment Expense | 6.02% | 1.35% | 6.40% | 14.97% | (3.40%) | 16.79% |

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Six Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return, Net of Investment Expense | 5.89% | 1.35% | 6.53% | 15.22% | (3.40%) | 16.98% |

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

RETIREE HEALTH INSURANCE TRUST FUND

Last Five Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return, Net of Investment Expense | 2.57% | 4.63% | 15.40% | (1.38%) | 16.81% |

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2019

BUDGETS AND BUDGETARY ACCOUNTING

The City's budget represents departmental expenditures and estimated revenues authorized by the budget. The budget is adopted on the modified accrual basis of accounting and the current financial resources measurement focus, consistent with GAAP. The City follows these procedures in establishing the budgetary data reflected in the required supplementary information:

- The Mayor submits to the City Council a proposed budget for all funds except the Permanent Fund and Asset Seizure Fund. The budget includes proposed expenditures and the means of financing them.
- A public hearing is held to obtain citizen comments.
- Prior to December 31 the budget is legally enacted through passage of an ordinance.
- The Mayor may transfer budgeted amounts between departments within any fund. Transfers between objects within a department or within a fund without departmental segregation may be made by the Chief Financial Officer/City Treasurer. The legal level of budgetary control is the department level or, where no departmental segregation of a fund exists, the fund level. One budget amendment was approved by the City Council.
- All budgets lapse at year end.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

DEBT SERVICE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|---------------------|---------------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 4,000,000 | \$ 4,000,000 | \$ 4,038,909 | \$ 38,909 | \$ 4,037,705 |
| Other Taxes | | | | | |
| Real Estate Transfer Tax | 3,000,000 | 3,000,000 | 2,934,406 | (65,594) | 3,104,624 |
| Intergovernmental Revenue | 151,900 | 151,900 | 142,705 | (9,195) | 290,540 |
| Investment Income | 5,000 | 5,000 | 97,945 | 92,945 | 96,111 |
| Total Revenues | 7,156,900 | 7,156,900 | 7,213,965 | 57,065 | 7,528,980 |
| EXPENDITURES | | | | | |
| Debt Service | | | | | |
| Principal | | | | | |
| Series 2009A | 1,075,000 | 1,075,000 | 1,075,000 | - | 1,040,000 |
| Series 2009B | 395,000 | 395,000 | 395,000 | - | 380,000 |
| Series 2011 | - | - | - | - | 1,020,000 |
| Series 2012B | 580,000 | 580,000 | 580,000 | - | 570,000 |
| Series 2013 | 1,210,000 | 1,210,000 | 1,210,000 | - | 60,000 |
| Series 2014 | - | - | - | - | 1,130,000 |
| Series 2015C | 2,325,000 | 2,325,000 | 2,325,000 | - | 2,260,000 |
| Series 2017 | 695,000 | 695,000 | 695,000 | - | 680,000 |
| Interest | | | | | |
| Series 2009A | 337,600 | 337,600 | 248,013 | (89,587) | 381,744 |
| Series 2009B | 90,000 | 90,000 | 50,924 | (39,076) | 100,904 |
| Series 2011 | - | - | - | - | 30,600 |
| Series 2012B | 82,000 | 82,000 | 81,994 | (6) | 93,394 |
| Series 2013 | 281,800 | 281,800 | 281,731 | (69) | 283,531 |
| Series 2014 | 148,000 | 148,000 | 147,340 | (660) | 169,940 |
| Series 2015A | 245,300 | 245,300 | 245,294 | (6) | 245,294 |
| Series 2015C | 2,156,700 | 2,156,700 | 2,156,688 | (12) | 2,224,488 |
| Series 2017 | 485,400 | 485,400 | 485,369 | (31) | 505,769 |
| Line of Credit | - | - | 3,256 | 3,256 | - |
| Other Charges | 10,000 | 84,000 | 77,402 | (6,598) | 4,465 |
| Total Expenditures | 10,116,800 | 10,190,800 | 10,058,011 | (132,789) | 11,180,129 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (2,959,900) | (3,033,900) | (2,844,046) | 189,854 | (3,651,149) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 4,335,400 | 4,335,400 | 4,335,400 | - | 4,355,500 |
| Bonds Issued, at Par | - | 7,645,000 | 7,645,000 | - | - |
| Premium on Bonds Issued | - | 602,000 | 601,942 | (58) | - |
| Payment to Escrow Agent | - | (8,111,000) | (8,243,111) | (132,111) | - |
| Total Other Financing Sources (Uses) | 4,335,400 | 4,471,400 | 4,339,231 | (132,169) | 4,355,500 |
| NET CHANGE IN FUND BALANCE | \$ 1,375,500 | \$ 1,437,500 | 1,495,185 | \$ 57,685 | 704,351 |
| FUND BALANCE, JANUARY 1 | | | 1,559,122 | | 854,771 |
| FUND BALANCE, DECEMBER 31 | | | \$ 3,054,307 | | \$ 1,559,122 |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for the activities related to street maintenance and construction. Financing is provided by the City's share of state gasoline taxes. State law restricts the use of these gasoline taxes for street-related purposes.

Safety, Health and Public Enhancement (SHAPE) Fund - to account for certain public safety initiatives. Financing is provided by a portion of the City's home rule sales tax revenues that are restricted for public safety initiatives by the enabling ordinance for the tax.

Sanitation Fund - to account for the expenditure of the City's environmental refuse disposal fee. The fee has been restricted to cover the cost of disposing of unbundled brush, leaves, natural Christmas trees and recyclables in the community.

Wireless 911 Surcharge Fund - to account for the expenditure of 911 surcharge fees restricted by the State of Illinois for the purpose of developing and maintaining the capacity to respond to calls for emergency assistance from wireless communication devices.

Municipal Motor Fuel Tax Fund - to account for the expenditures of a \$0.04 per gallon municipal motor fuel tax for the maintenance and improvement of streets and roadways.

Block Grant Fund - to account for the revenue and expenditures associated with the Community Development Block Grant (CDBG) program, the HOME Investment Partnerships Program (HOME) and the Emergency Solutions Grant Program (ESG). Grant monies are provided by the U.S. Department of Housing and Urban Development and are restricted for the development of urban communities by expanding economic opportunities and providing decent housing and a suitable living environment. The beneficiaries of the programs must be individuals with low or moderate incomes.

Section 108 Loan Fund - to account for transactions associated with the City's loan program pursuant to Section 108 of the Federal Housing and Community Development Act of 1974. Under this program, loans are made to businesses operating in a designated area of the City provided that the businesses commit to creating a minimally required number of jobs.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Foreign Fire Insurance Tax Fund - to account for the expenditures of a 2% tax on premiums for fire insurance policies covering property in the City that are sold by insurance companies not incorporated in Illinois. Under state law, the City must annually appropriate foreign fire insurance tax monies to an administrative board comprised of members of its fire department to be used for the benefit of the department.

Asset Seizure Fund - to account for monies confiscated by the Aurora Police Department as the lead agency in state, drug-related criminal cases. Monies deposited in this fund must be remitted to the State of Illinois. Investment income earned in this fund must be expended in local law enforcement efforts.

Federal Asset Forfeitures Fund - to account for monies acquired through the outcome of federal criminal cases. Federal law requires that these monies be expended in local law enforcement efforts.

State Asset Forfeitures Fund - to account for monies acquired through the outcome of state drug-related criminal cases. State law requires that these monies be expended in local, drug-related law enforcement efforts.

TIF #1 Downtown Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #1 located in the downtown area.

TIF #3 River City Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #3 located in an area immediately south of the downtown.

TIF #4 Bell Gale Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #4 encompassing an industrial park on the near west side.

TIF #5 West River Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #5 located in the area northwest of the downtown.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

TIF #6 East River Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #6 located in the area northeast of the downtown.

TIF #7 West Farnsworth Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #7 located in the area northeast of the downtown.

TIF #8 East Farnsworth Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #8 located in the area northeast of the downtown.

TIF #9 Stolp Island Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #9 located in the area northeast of the downtown.

TIF #10 Galena and Broadway Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #10 located in the area northeast of the downtown.

TIF #11 Benton and River Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #11 located in the area northeast of the downtown.

TIF #13 River and Galena Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #13 located in the area northeast of the downtown.

TIF #14 Lincoln and Westin Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #14 located in the area northeast of the downtown.

Special Service Areas Fund - to account for revenues and expenditures associated with special service areas within the City. Financing is provided by special tax levies on properties within the special service areas (SSA). Revenues are restricted for projects in the SSAs concerned.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Stormwater Management Fee Fund - to account for resources to accomplish stormwater management projects. Financing is being provided by a bimonthly \$6.90 charge to each residential and business water and sewer service account that is restricted for stormwater management projects by the enabling ordinance for the fee.

Long-Term Control Plan Fee Fund - to account for resources for projects designed to manage overflows from combined sewers in accordance with federal law and the policies of the United States Environmental Protection Agency. Financing is being provided by a bimonthly \$5.85 charge to each residential and business water and sewer service account that is restricted for combined sewer overflow projects by the enabling ordinance for the fee.

CAPITAL PROJECTS FUNDS

Capital Improvements Fund - to account for resources assigned to accomplish various capital projects in the City, especially roadway and building projects. Financing is being provided primarily by a portion of the City's 1.25% home rule sales tax.

2008B TIF Bond Project Fund - to account for the proceeds of tax increment revenue bonds issued in 2008 to provide resources for environmental remediation, infrastructure and other redevelopment costs associated with the Shodeen residential construction project in TIF District #3.

Gaming Tax Fund - to account for the expenditure of a \$1 admissions tax and 5% wagering tax collected at the Hollywood Riverboat Casino in Aurora that has been assigned by the City Council primarily for capital purposes.

2017 General Obligation Bond Project Fund - to account for the proceeds of general obligation bonds issued in 2017 to provide resources for a new fire station and fire vehicles as well as various other capital projects.

Fire Impact Fees Fund - to account for the expenditure of fees paid by developers that have been restricted for constructing and equipping new fire stations.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

Public Works Impact Fees Fund - to account for the expenditure of fees paid by developers that have been restricted for the purchase of additional street maintenance equipment to serve new developments.

Ward Projects Fund - to account for various capital projects in the City's ten wards that are requested by "ward committees" comprised of residents of those wards. Projects include street improvements and the installation of sidewalks and streetlights, as well as other projects locally desired. A separate subfund exists to account for the projects of each ward. Financing is provided by operating transfers from the Capital Improvements Fund and the Gaming Tax Fund that have been assigned for this purpose.

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

December 31, 2019

| | Special Revenue | Capital Projects | Permanent | Total Nonmajor Governmental Funds |
|--|----------------------------|-----------------------------|-------------------|--|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 43,659,444 | \$ 29,523,635 | \$ 463,739 | \$ 73,646,818 |
| Receivables (Net of Allowance Where Applicable) | | | | |
| Property Taxes | | | | |
| Special Service Areas Levies | 725,633 | 71,187 | - | 796,820 |
| Other Taxes | - | 897,272 | - | 897,272 |
| Loans Receivable | 2,970,949 | 57,662 | - | 3,028,611 |
| Interest | 120,402 | 20,411 | - | 140,813 |
| Miscellaneous | 5,082,717 | 134,662 | - | 5,217,379 |
| Land Held for Resale | 386,406 | - | - | 386,406 |
| Due from Other Funds | - | 976,594 | - | 976,594 |
| Due from Other Governments | 2,425,539 | 1,224,467 | - | 3,650,006 |
| Prepaid Items | - | 1,450 | - | 1,450 |
| Total Assets | 55,371,090 | 32,907,340 | 463,739 | 88,742,169 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 55,371,090 | \$ 32,907,340 | \$ 463,739 | \$ 88,742,169 |

| | Special Revenue | Capital Projects | Permanent | Total Nonmajor Governmental Funds |
|---|----------------------|----------------------|-------------------|--|
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 5,045,174 | \$ 2,875,924 | \$ - | \$ 7,921,098 |
| Retainage Payable | 373,340 | 168,182 | - | 541,522 |
| Deposits Payable | - | 750 | - | 750 |
| Interest Payable | 3,227 | 10,756 | - | 13,983 |
| Unearned Revenue | 7,303,067 | 715,613 | - | 8,018,680 |
| Line of Credit | 2,500,000 | 5,000,000 | - | 7,500,000 |
| Due to Other Funds | 776,594 | 200,000 | - | 976,594 |
| Due to Other Governments | 88,573 | - | - | 88,573 |
| | <hr/> | | | |
| Total Liabilities | 16,089,975 | 8,971,225 | - | 25,061,200 |
| <hr/> | | | | |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue - Property Taxes | 693,446 | 71,187 | - | 764,633 |
| | <hr/> | | | |
| Total Deferred Inflows of Resources | 693,446 | 71,187 | - | 764,633 |
| | <hr/> | | | |
| Total Liabilities and Deferred Inflows of Resources | 16,783,421 | 9,042,412 | - | 25,825,833 |
| <hr/> | | | | |
| FUND BALANCES | | | | |
| Nonspendable | | | | |
| Prepaid items | - | 1,450 | - | 1,450 |
| Restricted | | | | |
| Working Cash | - | - | 463,739 | 463,739 |
| Public Safety | 13,388,724 | 1,129,154 | - | 14,517,878 |
| Streets and Transportation | 11,558,751 | 186,815 | - | 11,745,566 |
| Health and Welfare | 7,443,193 | - | - | 7,443,193 |
| Economic Development | 7,265,644 | 1,607,019 | - | 8,872,663 |
| Capital Projects | - | 5,775,714 | - | 5,775,714 |
| Unrestricted | | | | |
| Assigned | | | | |
| Public Safety | 145,804 | - | - | 145,804 |
| Health and Welfare | 953,694 | - | - | 953,694 |
| Capital Projects | - | 15,164,776 | - | 15,164,776 |
| Unassigned (Deficit) | (2,168,141) | - | - | (2,168,141) |
| | <hr/> | | | |
| Total Fund Balances | 38,587,669 | 23,864,928 | 463,739 | 62,916,336 |
| <hr/> | | | | |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 55,371,090 | \$ 32,907,340 | \$ 463,739 | \$ 88,742,169 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

| | Special Revenue | Capital Projects | Permanent | Total Nonmajor Governmental Funds |
|--|----------------------------|-----------------------------|-------------------|--|
| REVENUES | | | | |
| Property Taxes | \$ 5,860,996 | \$ - | \$ - | \$ 5,860,996 |
| Other Taxes | 6,209,277 | 7,594,609 | - | 13,803,886 |
| Intergovernmental | 9,163,545 | 859,384 | - | 10,022,929 |
| Licenses, Fees and Permits | - | 189,102 | - | 189,102 |
| Charges for Services | 11,017,651 | 64,023 | - | 11,081,674 |
| Investment Income | 1,219,967 | 644,103 | 9,673 | 1,873,743 |
| Other | 31,088 | 292,865 | - | 323,953 |
| Total Revenues | 33,502,524 | 9,644,086 | 9,673 | 43,156,283 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | - | 844,366 | - | 844,366 |
| Public Safety | 3,563,170 | - | - | 3,563,170 |
| Streets and Transportation | 8,816,493 | 2,174,689 | - | 10,991,182 |
| Health and Welfare | 4,052,618 | - | - | 4,052,618 |
| Culture and Recreation | - | 796,196 | - | 796,196 |
| Economic Development | 14,963,153 | 10,347,846 | - | 25,310,999 |
| Capital Outlay | 4,916,043 | 9,677,751 | - | 14,593,794 |
| Debt Service | | | | |
| Principal | 2,417,165 | - | - | 2,417,165 |
| Interest | 825,248 | 121,001 | - | 946,249 |
| Total Expenditures | 39,553,890 | 23,961,849 | - | 63,515,739 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (6,051,366) | (14,317,763) | 9,673 | (20,359,456) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Illinois EPA Loan Issued | - | - | - | - |
| Transfers In | 3,851,400 | 5,750,000 | - | 9,601,400 |
| Transfers (Out) | (4,645,400) | (3,281,400) | - | (7,926,800) |
| Bonds Issued, at Par | - | - | - | - |
| Proceeds from Lines of Credit | 2,695,408 | 4,800,000 | - | 7,495,408 |
| Total Other Financing Sources (Uses) | 1,901,408 | 7,268,600 | - | 9,170,008 |
| NET CHANGE IN FUND BALANCES | (4,149,958) | (7,049,163) | 9,673 | (11,189,448) |
| FUND BALANCES, JANUARY 1 | 42,737,627 | 30,914,091 | 454,066 | 74,105,784 |
| FUND BALANCES, DECEMBER 31 | \$ 38,587,669 | \$ 23,864,928 | \$ 463,739 | \$ 62,916,336 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2019

| | Motor Fuel Tax | SHAPE | Sanitation | Wireless 911 Surcharge | Municipal Motor Fuel Tax | Block Grant |
|---|----------------------|---------------------|---------------------|---------------------------|--------------------------------|-------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | | |
| ASSETS | | | | | | |
| Cash and Investments | \$ 13,054,190 | \$ 1,143,771 | \$ 605,044 | \$ 5,765,852 | \$ 757,767 | \$ 77,534 |
| Receivables | | | | | | |
| Property Taxes, Net of Allowance | | | | | | |
| Special Service Areas Levy | - | - | - | - | - | - |
| Loans Receivable | - | - | - | - | - | - |
| Interest | 19,241 | - | 307 | 1,765 | - | - |
| Other | - | - | 441,323 | 3,433,556 | 160,929 | - |
| Land Held for Resale | - | - | - | - | - | - |
| Due from Other Governments | | | | | | |
| Federal and State Grants | 140,889 | - | - | - | - | 293,474 |
| Motor Fuel Tax Allotment | 868,714 | - | - | - | - | - |
| Sales Tax | - | 1,121,070 | - | - | - | - |
| Other | - | - | - | - | - | - |
| Prepaid Items | - | - | - | - | - | - |
| Total Assets | 14,083,034 | 2,264,841 | 1,046,674 | 9,201,173 | 918,696 | 371,008 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | |
| None | - | - | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 14,083,034 | \$ 2,264,841 | \$ 1,046,674 | \$ 9,201,173 | \$ 918,696 | \$ 371,008 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ 2,651,160 | \$ 51,078 | \$ 384,259 | \$ 31,957 | \$ - | \$ 233,791 |
| Retainage Payable | 102,482 | 10,655 | - | - | - | - |
| Interest Payable | - | - | - | - | - | - |
| Unearned Revenue | 910,877 | - | - | 69,058 | - | - |
| Line of Credit | - | - | - | - | - | - |
| Due to Other Funds | - | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | - | - |
| Total Liabilities | 3,664,519 | 61,733 | 384,259 | 101,015 | - | 233,791 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue - Property Taxes | - | - | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - | - | - |
| Total Liabilities and Deferred Inflows of Resources | 3,664,519 | 61,733 | 384,259 | 101,015 | - | 233,791 |
| FUND BALANCES | | | | | | |
| Restricted | | | | | | |
| Public Safety | - | 2,057,304 | - | 9,100,158 | - | - |
| Streets and Transportation | 10,418,515 | - | - | - | 918,696 | - |
| Health and Welfare | - | - | 514,935 | - | - | 137,217 |
| Economic Development | - | - | - | - | - | - |
| Unrestricted | | | | | | |
| Assigned | | | | | | |
| Public Safety | - | 145,804 | - | - | - | - |
| Health and Welfare | - | - | 147,480 | - | - | - |
| Unassigned (Deficit) | - | - | - | - | - | - |
| Total Fund Balances (Deficit) | 10,418,515 | 2,203,108 | 662,415 | 9,100,158 | 918,696 | 137,217 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 14,083,034 | \$ 2,264,841 | \$ 1,046,674 | \$ 9,201,173 | \$ 918,696 | \$ 371,008 |

| Section 108 Loan | Foreign Fire Insurance Tax | Asset Seizure | Federal Asset Forfeitures | State Asset Forfeitures | TIF #1 Downtown | TIF #3 River City | TIF #4 Bell Gale | TIF #5 West River Area |
|---------------------|----------------------------------|------------------|---------------------------------|-------------------------------|--------------------|----------------------|---------------------|------------------------------|
| \$ 2,073 | \$ 514,168 | \$ 121,435 | \$ 2,495,140 | \$ 363,372 | \$ 846,516 | \$ 1,418,400 | \$ 49,011 | \$ 798,973 |
| - | - | - | - | - | - | - | - | - |
| 68,674 | - | - | - | - | - | - | - | - |
| - | 5,165 | - | - | 27,379 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | 1,176 | - | - | - |
| 216 | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 70,963 | 519,333 | 121,435 | 2,495,140 | 390,751 | 847,692 | 1,418,400 | 49,011 | 798,973 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| \$ 70,963 | \$ 519,333 | \$ 121,435 | \$ 2,495,140 | \$ 390,751 | \$ 847,692 | \$ 1,418,400 | \$ 49,011 | \$ 798,973 |
| \$ - | \$ 3,335 | \$ - | \$ - | \$ 9,658 | \$ 380,604 | \$ 129,845 | \$ - | \$ 57,556 |
| - | - | - | - | - | 5,000 | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 27,841 | - | - | 1,182,093 | 11,738 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 1,594 | - | - | - | - | - | - | - | - |
| - | - | 88,573 | - | - | - | - | - | - |
| 29,435 | 3,335 | 88,573 | 1,182,093 | 21,396 | 385,604 | 129,845 | - | 57,556 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 29,435 | 3,335 | 88,573 | 1,182,093 | 21,396 | 385,604 | 129,845 | - | 57,556 |
| - | 515,998 | 32,862 | 1,313,047 | 369,355 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 41,528 | - | - | - | - | - | - | - | - |
| - | - | - | - | - | 462,088 | 1,288,555 | 49,011 | 741,417 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 41,528 | 515,998 | 32,862 | 1,313,047 | 369,355 | 462,088 | 1,288,555 | 49,011 | 741,417 |
| \$ 70,963 | \$ 519,333 | \$ 121,435 | \$ 2,495,140 | \$ 390,751 | \$ 847,692 | \$ 1,418,400 | \$ 49,011 | \$ 798,973 |

(This statement is continued on the following pages.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET (Continued)

NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2019

| | TIF #6 East River Area | TIF #7 West Farnsworth Area | TIF #8 East Farnsworth Area | TIF #9 Stolp Island Area | TIF #10 Galena and Broadway Area |
|---|------------------------------|-----------------------------------|-----------------------------------|--------------------------------|--|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| ASSETS | | | | | |
| Cash and Investments | \$ 893,908 | \$ 1,093,694 | \$ 3,833,117 | \$ 3,177 | \$ 179,311 |
| Receivables | | | | | |
| Property Taxes, Net of Allowance | | | | | |
| Special Service Areas Levy | - | - | - | - | - |
| Loans Receivable | - | - | - | 1,706,867 | 1,195,408 |
| Interest | - | - | - | 57,285 | 33,897 |
| Other | - | - | - | - | - |
| Land Held for Resale | - | 386,406 | - | - | - |
| Due from Other Governments | | | | | |
| Federal and State Grants | - | - | - | - | - |
| Motor Fuel Tax Allotment | - | - | - | - | - |
| Sales Tax | - | - | - | - | - |
| Other | - | - | - | - | - |
| Prepaid Items | - | - | - | - | - |
| Total Assets | 893,908 | 1,480,100 | 3,833,117 | 1,767,329 | 1,408,616 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| None | - | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 893,908 | \$ 1,480,100 | \$ 3,833,117 | \$ 1,767,329 | \$ 1,408,616 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 106,832 | \$ 484,636 | \$ 216,421 | \$ - | \$ - |
| Retainage Payable | 15,000 | - | - | - | - |
| Interest Payable | - | - | - | - | - |
| Unearned Revenue | - | - | - | 1,706,867 | 1,195,408 |
| Line of Credit | - | - | - | - | 200,000 |
| Due to Other Funds | - | - | 750,000 | - | - |
| Due to Other Governments | - | - | - | - | - |
| Total Liabilities | 121,832 | 484,636 | 966,421 | 1,706,867 | 1,395,408 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue - Property Taxes | - | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | - | - |
| Total Liabilities and Deferred Inflows of Resources | 121,832 | 484,636 | 966,421 | 1,706,867 | 1,395,408 |
| FUND BALANCES | | | | | |
| Restricted | | | | | |
| Public Safety | - | - | - | - | - |
| Streets and Transportation | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Economic Development | 772,076 | 995,464 | 2,866,696 | 60,462 | 13,208 |
| Unrestricted | | | | | |
| Assigned | | | | | |
| Public Safety | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Unassigned (Deficit) | - | - | - | - | - |
| Total Fund Balances (Deficit) | 772,076 | 995,464 | 2,866,696 | 60,462 | 13,208 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 893,908 | \$ 1,480,100 | \$ 3,833,117 | \$ 1,767,329 | \$ 1,408,616 |

| TIF #11 Benton and River Area | TIF #13 River and Galena Area | TIF #14 Lincoln and Westin Area | Special Service Areas | Stormwater Management Fee | Long-Term Control Plan Fee | Total |
|-------------------------------------|-------------------------------------|---------------------------------------|-----------------------------|---------------------------------|----------------------------------|---------------|
| \$ 16,667 | \$ 300,000 | \$ 184 | \$ 250,833 | \$ 6,815,742 | \$ 2,259,565 | \$ 43,659,444 |
| - | - | - | 725,633 | - | - | 725,633 |
| - | - | - | - | - | - | 2,970,949 |
| - | - | - | - | 7,907 | - | 120,402 |
| - | 108,093 | - | - | 491,012 | 415,260 | 5,082,717 |
| - | - | - | - | - | - | 386,406 |
| - | - | - | - | - | - | 434,363 |
| - | - | - | - | - | - | 868,714 |
| - | - | - | - | - | - | 1,122,246 |
| - | - | - | - | - | - | 216 |
| - | - | - | - | - | - | - |
| 16,667 | 408,093 | 184 | 976,466 | 7,314,661 | 2,674,825 | 55,371,090 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| \$ 16,667 | \$ 408,093 | \$ 184 | \$ 976,466 | \$ 7,314,661 | \$ 2,674,825 | \$ 55,371,090 |
| \$ - | \$ 108,093 | \$ - | \$ 61,480 | \$ 122,735 | \$ 11,734 | \$ 5,045,174 |
| - | 32,005 | - | - | 208,198 | - | 373,340 |
| - | - | 3,227 | - | - | - | 3,227 |
| - | 108,093 | - | - | 2,091,092 | - | 7,303,067 |
| - | 800,000 | 1,500,000 | - | - | - | 2,500,000 |
| - | - | 25,000 | - | - | - | 776,594 |
| - | - | - | - | - | - | 88,573 |
| - | 1,048,191 | 1,528,227 | 61,480 | 2,422,025 | 11,734 | 16,089,975 |
| - | - | - | 693,446 | - | - | 693,446 |
| - | - | - | 693,446 | - | - | 693,446 |
| - | 1,048,191 | 1,528,227 | 754,926 | 2,422,025 | 11,734 | 16,783,421 |
| - | - | - | - | - | - | 13,388,724 |
| - | - | - | 221,540 | - | - | 11,558,751 |
| - | - | - | - | 4,243,991 | 2,505,522 | 7,443,193 |
| 16,667 | - | - | - | - | - | 7,265,644 |
| - | - | - | - | - | - | 145,804 |
| - | - | - | - | 648,645 | 157,569 | 953,694 |
| - | (640,098) | (1,528,043) | - | - | - | (2,168,141) |
| 16,667 | (640,098) | (1,528,043) | 221,540 | 4,892,636 | 2,663,091 | 38,587,669 |
| \$ 16,667 | \$ 408,093 | \$ 184 | \$ 976,466 | \$ 7,314,661 | \$ 2,674,825 | \$ 55,371,090 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

| | Motor Fuel Tax | SHAPE | Sanitation | Wireless 911 Surcharge | Municipal Motor Fuel Tax | Block Grant |
|--|---------------------------|---------------------|-------------------|-----------------------------------|---|--------------------|
| REVENUES | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Taxes | | | | | | |
| Sales Tax | - | 3,936,173 | - | - | - | - |
| Municipal Motor Fuel Tax | - | - | - | - | 2,029,211 | - |
| Foreign Fire Insurance Tax | - | - | - | - | - | - |
| Intergovernmental | | | | | | |
| Federal and State Grants | 249,845 | - | - | - | - | 1,578,973 |
| Motor Fuel Tax Allotments | 6,559,871 | - | - | - | - | - |
| Charges for Services | - | - | 2,276,915 | 3,679,017 | - | 18,124 |
| Stormwater Management Fees | - | - | - | - | - | - |
| Long-Term Capital Planning Fee | - | - | - | - | - | - |
| Investment Income | 322,763 | 24,836 | 10,886 | 158,097 | 20,743 | 8,290 |
| Other | - | - | - | 13,761 | - | - |
| Total Revenues | 7,132,479 | 3,961,009 | 2,287,801 | 3,850,875 | 2,049,954 | 1,605,387 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| Public Safety | - | 1,134,169 | - | 1,431,022 | - | - |
| Streets and Transportation | 7,673,015 | - | - | - | - | - |
| Health and Welfare | - | - | 2,429,550 | - | - | 1,623,068 |
| Economic Development | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | 1,881,434 | - |
| Debt Service | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Total Expenditures | 7,673,015 | 1,134,169 | 2,429,550 | 1,431,022 | 1,881,434 | 1,623,068 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (540,536) | 2,826,840 | (141,749) | 2,419,853 | 168,520 | (17,681) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Illinois EPA Loan Issued | - | - | - | - | - | - |
| Transfers In | - | - | - | - | - | - |
| Transfers (Out) | - | (2,456,500) | - | (1,000,000) | - | - |
| Bonds Issued, at Par | - | - | - | - | - | - |
| Proceeds from Lines of Credit | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | (2,456,500) | - | (1,000,000) | - | - |
| NET CHANGE IN FUND BALANCES | (540,536) | 370,340 | (141,749) | 1,419,853 | 168,520 | (17,681) |
| FUND BALANCES, JANUARY 1 | 10,959,051 | 1,832,768 | 804,164 | 7,680,305 | 750,176 | 154,898 |
| FUND BALANCES (DEFICIT), DECEMBER 31 | \$ 10,418,515 | \$ 2,203,108 | \$ 662,415 | \$ 9,100,158 | \$ 918,696 | \$ 137,217 |

| Section 108 Loan | Foreign Fire Insurance Tax | Asset Seizure | Federal Asset Forfeitures | State Asset Forfeitures | TIF #1 Downtown | TIF #3 River City | TIF #4 Bell Gale | TIF #5 West River Area |
|---------------------|----------------------------------|------------------|---------------------------------|-------------------------------|--------------------|----------------------|---------------------|------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,656,838 | \$ 574,080 | \$ 56,269 | \$ 258,900 |
| - | - | - | - | - | - | - | - | - |
| - | 243,893 | - | - | - | - | - | - | - |
| - | - | - | 697,651 | 45,017 | - | - | - | - |
| 55,789 | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 8 | 9,111 | 2,661 | 55,978 | 10,806 | 16,341 | 39,966 | 2,045 | 14,748 |
| - | - | - | - | - | 1,176 | 8,532 | - | - |
| 55,797 | 253,004 | 2,661 | 753,629 | 55,823 | 1,674,355 | 622,578 | 58,314 | 273,648 |
| - | 190,375 | - | 697,651 | 109,953 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | 1,220,130 | 219,340 | 55,942 | 123,287 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 865,000 | - | - |
| - | - | - | - | - | - | 291,050 | - | - |
| - | 190,375 | - | 697,651 | 109,953 | 1,220,130 | 1,375,390 | 55,942 | 123,287 |
| 55,797 | 62,629 | 2,661 | 55,978 | (54,130) | 454,225 | (752,812) | 2,372 | 150,361 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 807,500 | - | - |
| - | - | - | - | - | (310,000) | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | (310,000) | 807,500 | - | - |
| 55,797 | 62,629 | 2,661 | 55,978 | (54,130) | 144,225 | 54,688 | 2,372 | 150,361 |
| (14,269) | 453,369 | 30,201 | 1,257,069 | 423,485 | 317,863 | 1,233,867 | 46,639 | 591,056 |
| \$ 41,528 | \$ 515,998 | \$ 32,862 | \$ 1,313,047 | \$ 369,355 | \$ 462,088 | \$ 1,288,555 | \$ 49,011 | \$ 741,417 |

(This statement is continued on the following pages.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

| | TIF #6 | TIF #7 | TIF #8 | TIF #9 | TIF #10 |
|--|-------------------|------------------------|------------------------|---------------------|----------------------|
| | East River | West Farnsworth | East Farnsworth | Stolp Island | Galena and |
| | Area | Area | Area | Area | Broadway Area |
| REVENUES | | | | | |
| Property Taxes | \$ 308,843 | \$ 234,650 | \$ 2,164,218 | \$ - | \$ - |
| Other Taxes | | | | | |
| Sales Tax | - | - | - | - | - |
| Municipal Motor Fuel Tax | - | - | - | - | - |
| Foreign Fire Insurance Tax | - | - | - | - | - |
| Intergovernmental | | | | | |
| Federal and State Grants | - | - | - | - | - |
| Motor Fuel Tax Allotments | - | - | - | - | - |
| Charges for Services | - | - | - | - | - |
| Stormwater Management Fees | - | - | - | - | - |
| Long-Term Capital Planning Fee | - | - | - | - | - |
| Investment Income | 21,675 | 32,129 | 130,634 | 57,329 | 33,897 |
| Other | 7,444 | - | - | - | - |
| Total Revenues | 337,962 | 266,779 | 2,294,852 | 57,329 | 33,897 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Public Safety | - | - | - | - | - |
| Streets and Transportation | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Economic Development | 346,365 | 3,980,848 | 2,191,535 | 1,706,867 | 1,195,408 |
| Capital Outlay | - | - | - | - | - |
| Debt Service | | | | | |
| Principal | 380,000 | - | - | - | - |
| Interest | 208,500 | - | - | - | 20,689 |
| Total Expenditures | 934,865 | 3,980,848 | 2,191,535 | 1,706,867 | 1,216,097 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (596,903) | (3,714,069) | 103,317 | (1,649,538) | (1,182,200) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Illinois EPA Loan Issued | - | - | - | - | - |
| Transfers In | 748,900 | 75,000 | - | 1,710,000 | - |
| Transfers (Out) | - | - | - | - | - |
| Bonds Issued, at Par | - | - | - | - | - |
| Proceeds from Lines of Credit | - | - | - | - | 1,195,408 |
| Total Other Financing Sources (Uses) | 748,900 | 75,000 | - | 1,710,000 | 1,195,408 |
| NET CHANGE IN FUND BALANCES | 151,997 | (3,639,069) | 103,317 | 60,462 | 13,208 |
| FUND BALANCES, JANUARY 1 | 620,079 | 4,634,533 | 2,763,379 | - | - |
| FUND BALANCES (DEFICIT), DECEMBER 31 | \$ 772,076 | \$ 995,464 | \$ 2,866,696 | \$ 60,462 | \$ 13,208 |

| TIF # 11 Benton and River Area | TIF # 13 River and Galena Area | TIF #14 Lincoln and Westin Area | Special Service Areas | Stormwater Management Fee | Long-Term Control Plan Fee | Total |
|--------------------------------------|--------------------------------------|---------------------------------------|-----------------------------|---------------------------------|----------------------------------|---------------|
| \$ - | \$ - | \$ - | \$ 607,198 | \$ - | \$ - | \$ 5,860,996 |
| - | - | - | - | - | - | 3,936,173 |
| - | - | - | - | - | - | 2,029,211 |
| - | - | - | - | - | - | 243,893 |
| - | - | - | 32,188 | - | - | 2,603,674 |
| - | - | - | - | - | - | 6,559,871 |
| - | - | - | - | - | - | 6,029,845 |
| - | - | - | - | 2,698,942 | - | 2,698,942 |
| - | - | - | - | - | 2,288,864 | 2,288,864 |
| - | - | 1,696 | 7,592 | 149,412 | 88,324 | 1,219,967 |
| - | - | - | 175 | - | - | 31,088 |
| - | - | 1,696 | 647,153 | 2,848,354 | 2,377,188 | 33,502,524 |
| - | - | - | - | - | - | 3,563,170 |
| - | - | - | 352,506 | 790,972 | - | 8,816,493 |
| - | - | - | - | - | - | 4,052,618 |
| 283,333 | 640,098 | 3,000,000 | - | - | - | 14,963,153 |
| - | - | - | - | - | 3,034,609 | 4,916,043 |
| - | - | - | 405,000 | 169,034 | 598,131 | 2,417,165 |
| - | - | 29,739 | 25,050 | 9,854 | 240,366 | 825,248 |
| 283,333 | 640,098 | 3,029,739 | 782,556 | 969,860 | 3,873,106 | 39,553,890 |
| (283,333) | (640,098) | (3,028,043) | (135,403) | 1,878,494 | (1,495,918) | (6,051,366) |
| - | - | - | - | - | - | - |
| 300,000 | - | - | 210,000 | - | - | 3,851,400 |
| - | - | - | - | (878,900) | - | (4,645,400) |
| - | - | - | - | - | - | - |
| - | - | 1,500,000 | - | - | - | 2,695,408 |
| 300,000 | - | 1,500,000 | 210,000 | (878,900) | - | 1,901,408 |
| 16,667 | (640,098) | (1,528,043) | 74,597 | 999,594 | (1,495,918) | (4,149,958) |
| - | - | - | 146,943 | 3,893,042 | 4,159,009 | 42,737,627 |
| \$ 16,667 | \$ (640,098) | \$ (1,528,043) | \$ 221,540 | \$ 4,892,636 | \$ 2,663,091 | \$ 38,587,669 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

MOTOR FUEL TAX FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------|-----------------------|-----------------------|----------------------|-----------------------------|----------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Intergovernmental | | | | | |
| Federal and State Grants | \$ 2,514,600 | \$ 2,514,600 | \$ 249,845 | \$ (2,264,755) | \$ 385,011 |
| Motor Fuel Tax Allotments | 5,140,000 | 5,140,000 | 6,559,871 | 1,419,871 | 5,337,243 |
| Investment Income | 20,000 | 20,000 | 322,763 | 302,763 | 236,579 |
| Total Revenues | <u>7,674,600</u> | <u>7,674,600</u> | <u>7,132,479</u> | <u>(542,121)</u> | <u>5,958,833</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Streets and Transportation | | | | | |
| General Maintenance | 6,245,000 | 6,245,000 | 4,672,087 | (1,572,913) | 5,232,661 |
| Roadway/Bridge Projects | 6,849,300 | 6,849,300 | 2,807,290 | (4,042,010) | 647,570 |
| Other Services and Charges | 428,300 | 428,300 | 193,638 | (234,662) | 90,728 |
| Total Expenditures | <u>13,522,600</u> | <u>13,522,600</u> | <u>7,673,015</u> | <u>(5,849,585)</u> | <u>5,970,959</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (5,848,000)</u> | <u>\$ (5,848,000)</u> | <u>(540,536)</u> | <u>\$ 5,307,464</u> | <u>(12,126)</u> |
| FUND BALANCE, JANUARY 1 | | | <u>10,959,051</u> | | <u>10,971,177</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 10,418,515</u> | | <u>\$ 10,959,051</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SHAPE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|-----------------------|-----------------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Other Taxes | | | | | |
| Sales | \$ 3,800,000 | \$ 3,800,000 | \$ 3,936,173 | \$ 136,173 | \$ 3,876,348 |
| Intergovernmental | | | | | |
| Federal and State Grants | 950,000 | 950,000 | - | (950,000) | - |
| Investment Income | 5,000 | 5,000 | 24,836 | 19,836 | 25,539 |
| Total Revenues | 4,755,000 | 4,755,000 | 3,961,009 | (793,991) | 3,901,887 |
| EXPENDITURES | | | | | |
| Public Safety | | | | | |
| Materials and Supplies | 562,600 | 579,000 | 363,116 | (215,884) | 166,795 |
| Other Services and Charges | 609,150 | 609,150 | 433,070 | (176,080) | 836,034 |
| Capital Outlay | 2,715,400 | 2,699,000 | 337,983 | (2,361,017) | 1,010,777 |
| Total Expenditures | 3,887,150 | 3,887,150 | 1,134,169 | (2,752,981) | 2,013,606 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 867,850 | 867,850 | 2,826,840 | 1,958,990 | 1,888,281 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers (Out) | (2,456,500) | (2,456,500) | (2,456,500) | - | (2,476,800) |
| Total Other Financing Sources (Uses) | (2,456,500) | (2,456,500) | (2,456,500) | - | (2,476,800) |
| NET CHANGE IN FUND BALANCE | \$ (1,588,650) | \$ (1,588,650) | 370,340 | \$ 1,958,990 | (588,519) |
| FUND BALANCE, JANUARY 1 | | | 1,832,768 | | 2,421,287 |
| FUND BALANCE, DECEMBER 31 | | | \$ 2,203,108 | | \$ 1,832,768 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SANITATION FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------|--------------------|-----------------|--------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | \$ 2,350,000 | \$ 2,350,000 | \$ 2,276,915 | \$ (73,085) | \$ 2,205,669 |
| Investment Income | 500 | 500 | 10,886 | 10,386 | 7,294 |
| Total Revenues | 2,350,500 | 2,350,500 | 2,287,801 | (62,699) | 2,212,963 |
| EXPENDITURES | | | | | |
| Health and Welfare | | | | | |
| Other Services and Charges | 2,350,000 | 2,429,600 | 2,429,550 | (50) | 2,002,053 |
| NET CHANGE IN FUND BALANCE | \$ 500 | \$ (79,100) | (141,749) | \$ (62,649) | 210,910 |
| FUND BALANCE, JANUARY 1 | | | 804,164 | | 593,254 |
| FUND BALANCE, DECEMBER 31 | | | \$ 662,415 | | \$ 804,164 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

WIRELESS 911 SURCHARGE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|----------------------------|-------------------------|---------------------|--------------------------------------|------------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | \$ 1,288,000 | \$ 1,288,000 | \$ 3,679,017 | \$ 2,391,017 | \$ 1,206,483 |
| Recovery of Costs | - | - | 13,761 | 13,761 | - |
| Investment Income | 15,000 | 15,000 | 158,097 | 143,097 | 132,331 |
| Total Revenues | 1,303,000 | 1,303,000 | 3,850,875 | 2,547,875 | 1,338,814 |
| EXPENDITURES | | | | | |
| Public Safety | | | | | |
| Materials and Supplies | 3,910,390 | 3,910,390 | 1,312,134 | (2,598,256) | 481,267 |
| Other Services and Charges | 120,134 | 120,134 | 118,888 | (1,246) | 114,924 |
| Total Expenditures | 4,030,524 | 4,030,524 | 1,431,022 | (2,599,502) | 596,191 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (2,727,524) | (2,727,524) | 2,419,853 | 5,147,377 | 742,623 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers (Out) | (1,000,000) | (1,000,000) | (1,000,000) | - | (1,500,000) |
| Total Other Financing Sources (Uses) | (1,000,000) | (1,000,000) | (1,000,000) | - | (1,500,000) |
| NET CHANGE IN FUND BALANCE | \$ (3,727,524) | \$ (3,727,524) | 1,419,853 | \$ 5,147,377 | (757,377) |
| FUND BALANCE, JANUARY 1 | | | 7,680,305 | | 8,437,682 |
| FUND BALANCE, DECEMBER 31 | | | \$ 9,100,158 | | \$ 7,680,305 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

MUNICIPAL MOTOR FUEL TAX FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------------|--------------------|-----------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Other Taxes | \$ 2,000,000 | \$ 2,000,000 | \$ 2,029,211 | \$ 29,211 | \$ 2,016,110 |
| Investment Income | - | - | 20,743 | 20,743 | 11,779 |
| Total Revenues | 2,000,000 | 2,000,000 | 2,049,954 | 49,954 | 2,027,889 |
| EXPENDITURES | | | | | |
| Capital Outlay | | | | | |
| Street Improvement | 2,000,000 | 2,000,000 | 1,881,434 | (118,566) | 1,628,290 |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | 168,520 | \$ 168,520 | 399,599 |
| FUND BALANCE, JANUARY 1 | | | 750,176 | | 350,577 |
| FUND BALANCE, DECEMBER 31 | | | \$ 918,696 | | \$ 750,176 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

BLOCK GRANT FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|-----------------------------------|--------------------|------------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Intergovernmental | | | | | |
| Federal and State Grants | \$ 2,276,100 | \$ 6,078,300 | \$ 1,578,973 | \$ (4,499,327) | \$ 2,560,790 |
| Charges for Services | | | | | |
| Loan Payments | - | - | 18,124 | 18,124 | 59,237 |
| Investment Income | - | - | 8,290 | 8,290 | 8,801 |
| Total Revenues | 2,276,100 | 6,078,300 | 1,605,387 | (4,472,913) | 2,628,828 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Health and Welfare | 2,276,100 | 6,078,300 | 1,623,068 | (4,455,232) | 2,547,262 |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | (17,681) | \$ (17,681) | 81,566 |
| FUND BALANCE, JANUARY 1 | | | 154,898 | | 73,332 |
| FUND BALANCE, DECEMBER 31 | | | \$ 137,217 | | \$ 154,898 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

SECTION 108 LOAN FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--------------------------------------|--------------------|------------------|------------------|-----------------------------|--------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | | | | | |
| Loan Payments | \$ 13,000 | \$ 13,000 | \$ 55,789 | \$ 42,789 | \$ 6,664 |
| Investment Income | - | - | 8 | 8 | 177 |
| Total Revenues | <u>13,000</u> | <u>13,000</u> | <u>55,797</u> | <u>42,797</u> | <u>6,841</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Health and Welfare | 200 | 200 | - | (200) | (30) |
| NET CHANGE IN FUND BALANCE | <u>\$ 12,800</u> | <u>\$ 12,800</u> | 55,797 | <u>\$ 42,997</u> | 6,871 |
| FUND BALANCE (DEFICIT), JANUARY 1 | | | <u>(14,269)</u> | | <u>(21,140)</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 41,528</u> | | <u>\$ (14,269)</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOREIGN FIRE INSURANCE TAX FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------|--------------------|-----------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Other Taxes | | | | | |
| Foreign Fire Insurance Tax | \$ 200,000 | \$ 200,000 | \$ 243,893 | \$ 43,893 | \$ 224,157 |
| Investment Income | 1,000 | 1,000 | 9,111 | 8,111 | 5,413 |
| Total Revenues | 201,000 | 201,000 | 253,004 | 52,004 | 229,570 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Public Safety | 200,000 | 200,000 | 190,375 | (9,625) | 161,135 |
| NET CHANGE IN FUND BALANCE | <u>\$ 1,000</u> | <u>\$ 1,000</u> | 62,629 | <u>\$ 61,629</u> | 68,435 |
| FUND BALANCE, JANUARY 1 | | | <u>453,369</u> | | <u>384,934</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 515,998</u> | | <u>\$ 453,369</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FEDERAL ASSET FORFEITURE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|-----------------------------------|-----------------------|-----------------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Investment Income | \$ - | \$ - | \$ 55,978 | \$ 55,978 | \$ 49,657 |
| Proceeds from Forfeited Assets | - | - | 697,651 | 697,651 | 480,223 |
| Total Revenues | - | - | 753,629 | 753,629 | 529,880 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Public Safety | | | | | |
| Materials and Supplies | - | - | - | - | 2,485 |
| Other Services and Charges | 1,703,180 | 1,703,180 | 697,651 | (1,005,529) | 477,738 |
| Total Expenditures | 1,703,180 | 1,703,180 | 697,651 | (1,005,529) | 480,223 |
| NET CHANGE IN FUND BALANCE | \$ (1,703,180) | \$ (1,703,180) | 55,978 | \$ 1,759,158 | 49,657 |
| FUND BALANCE, JANUARY 1 | | | 1,257,069 | | 1,207,412 |
| FUND BALANCE, DECEMBER 31 | | | \$ 1,313,047 | | \$ 1,257,069 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

STATE ASSET FORFEITURES FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------------|--------------------|-----------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Investment Income | \$ - | \$ - | \$ 10,806 | \$ 10,806 | \$ 8,615 |
| Proceeds from Forfeited Assets | - | - | 45,017 | 45,017 | 40,664 |
| Total Revenues | - | - | 55,823 | 55,823 | 49,279 |
| EXPENDITURES | | | | | |
| Public Safety | | | | | |
| Materials and Supplies | 100,000 | 100,000 | 12,851 | (87,149) | 275,669 |
| Other Services and Charges | 300,000 | 300,000 | 97,102 | (202,898) | 58,642 |
| Total Expenditures | 400,000 | 400,000 | 109,953 | (290,047) | 334,311 |
| NET CHANGE IN FUND BALANCE | \$ (400,000) | \$ (400,000) | (54,130) | \$ 345,870 | (285,032) |
| FUND BALANCE, JANUARY 1 | | | 423,485 | | 708,517 |
| FUND BALANCE, DECEMBER 31 | | | \$ 369,355 | | \$ 423,485 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #1 (DOWNTOWN) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 1,526,600 | \$ 1,526,600 | \$ 1,656,838 | \$ 130,238 | \$ 1,570,245 |
| Investment Income | 2,000 | 2,000 | 16,341 | 14,341 | 12,715 |
| Other | - | - | 1,176 | 1,176 | - |
| Total Revenues | 1,528,600 | 1,528,600 | 1,674,355 | 145,755 | 1,582,960 |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Redevelopment and Assistance | 997,200 | 997,200 | 888,762 | (108,438) | 1,334,226 |
| Surplus Distribution | 305,320 | 305,320 | 331,368 | 26,048 | 314,049 |
| Total Expenditures | 1,302,520 | 1,302,520 | 1,220,130 | (82,390) | 1,648,275 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 226,080 | 226,080 | 454,225 | 228,145 | (65,315) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers (Out) | (310,000) | (310,000) | (310,000) | - | (385,000) |
| Total Other Financing Sources (Uses) | (310,000) | (310,000) | (310,000) | - | (385,000) |
| NET CHANGE IN FUND BALANCE | \$ (83,920) | \$ (83,920) | 144,225 | \$ 228,145 | (450,315) |
| FUND BALANCE, JANUARY 1 | | | 317,863 | | 768,178 |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 462,088</u> | | <u>\$ 317,863</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #3 (RIVER CITY) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|--------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 560,000 | \$ 560,000 | \$ 574,080 | \$ 14,080 | \$ 580,683 |
| Other | - | - | 8,532 | 8,532 | - |
| Investment Income | 3,000 | 3,000 | 39,966 | 36,966 | 34,239 |
| Total Revenues | 563,000 | 563,000 | 622,578 | 59,578 | 614,922 |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Redevelopment and Assistance | 98,500 | 98,500 | 187,454 | 88,954 | 269,097 |
| Surplus Distribution | 17,000 | 17,000 | 31,886 | 14,886 | 32,915 |
| Debt Service | | | | | |
| Principal | 872,500 | 872,500 | 865,000 | (7,500) | 845,000 |
| Interest | 403,350 | 403,350 | 291,050 | (112,300) | 428,568 |
| Total Expenditures | 1,391,350 | 1,391,350 | 1,375,390 | (15,960) | 1,575,580 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (828,350) | (828,350) | (752,812) | 75,538 | (960,658) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 807,500 | 807,500 | 807,500 | - | 803,200 |
| Bonds Issued, at Par | - | - | - | - | 3,130,000 |
| Payment to Escrow Agent | - | - | - | - | (3,345,000) |
| Total Other Financing Sources (Uses) | 807,500 | 807,500 | 807,500 | - | 588,200 |
| NET CHANGE IN FUND BALANCE | \$ (20,850) | \$ (20,850) | 54,688 | \$ 75,538 | (372,458) |
| FUND BALANCE, JANUARY 1 | | | 1,233,867 | | 1,606,325 |
| FUND BALANCE, DECEMBER 31 | | | \$ 1,288,555 | | \$ 1,233,867 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #4 (BELL GALE) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | | 2018 Actual |
|--|--------------------|-----------------|-----------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | Variance Over (Under) | |
| REVENUES | | | | | |
| Property Taxes | \$ 53,000 | \$ 53,000 | \$ 56,269 | \$ 3,269 | \$ 52,050 |
| Investment Income | - | - | 2,045 | 2,045 | 1,123 |
| Total Revenues | 53,000 | 53,000 | 58,314 | 5,314 | 53,173 |
| EXPENDITURES | | | | | |
| Economic Development Redevelopment Assistance | 53,000 | 56,000 | 55,942 | (58) | 52,050 |
| NET CHANGE IN FUND BALANCE | \$ - | \$ (3,000) | 2,372 | \$ 5,372 | 1,123 |
| FUND BALANCE, JANUARY 1 | | | 46,639 | | 45,516 |
| FUND BALANCE, DECEMBER 31 | | | \$ 49,011 | | \$ 46,639 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #5 (WEST RIVER AREA) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 143,100 | \$ 143,100 | \$ 258,900 | \$ 115,800 | \$ 203,121 |
| Investment Income | 5,000 | 5,000 | 14,748 | 9,748 | 9,680 |
| Total Revenues | 148,100 | 148,100 | 273,648 | 125,548 | 212,801 |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Redevelopment Assistance | 168,000 | 168,000 | 71,507 | (96,493) | 227,793 |
| Surplus Distribution | 28,621 | 28,621 | 51,780 | 23,159 | 40,624 |
| Total Expenditures | 196,621 | 196,621 | 123,287 | (73,334) | 268,417 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (48,521) | (48,521) | 150,361 | 198,882 | (55,616) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | - | - | 75,000 |
| Total Other Financing Sources (Uses) | - | - | - | - | 75,000 |
| NET CHANGE IN FUND BALANCE | \$ (48,521) | \$ (48,521) | 150,361 | \$ 198,882 | 19,384 |
| FUND BALANCE, JANUARY 1 | | | 591,056 | | 571,672 |
| FUND BALANCE, DECEMBER 31 | | | \$ 741,417 | | \$ 591,056 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #6 (EAST RIVER AREA) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 273,000 | \$ 273,000 | \$ 308,843 | \$ 35,843 | \$ 279,715 |
| Other | - | - | 7,444 | 7,444 | - |
| Investment Income | 4,000 | 4,000 | 21,675 | 17,675 | 16,879 |
| Total Revenues | 277,000 | 277,000 | 337,962 | 60,962 | 296,594 |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Redevelopment and Assistance | 379,000 | 379,000 | 284,596 | (94,404) | 256,355 |
| Surplus Distribution | 54,600 | 54,600 | 61,769 | 7,169 | 55,943 |
| Debt Service | | | | | |
| Principal | 360,000 | 360,000 | 380,000 | 20,000 | 470,000 |
| Interest | 288,900 | 288,900 | 208,500 | (80,400) | 322,600 |
| Total Expenditures | 1,082,500 | 1,082,500 | 934,865 | (147,635) | 1,104,898 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (805,500) | (805,500) | (596,903) | 208,597 | (808,304) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 748,900 | 748,900 | 748,900 | - | 751,900 |
| Bonds Issued, at Par | - | - | - | - | 4,300,000 |
| Payment to Escrow Agent | - | - | - | - | (4,280,000) |
| Total Other Financing Sources (Uses) | 748,900 | 748,900 | 748,900 | - | 771,900 |
| NET CHANGE IN FUND BALANCE | \$ (56,600) | \$ (56,600) | 151,997 | \$ 208,597 | (36,404) |
| FUND BALANCE, JANUARY 1 | | | 620,079 | | 656,483 |
| FUND BALANCE, DECEMBER 31 | | | \$ 772,076 | | \$ 620,079 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #7 (WEST FARNSWORTH AREA) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|-----------------------|-----------------------|--------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 125,000 | \$ 125,000 | \$ 234,650 | \$ 109,650 | \$ 175,858 |
| Investment Income | 5,000 | 5,000 | 32,129 | 27,129 | 123,428 |
| Total Revenues | 130,000 | 130,000 | 266,779 | 136,779 | 299,286 |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Redevelopment and Assistance | 5,745,700 | 5,745,700 | 3,957,383 | (1,788,317) | 3,824,098 |
| Surplus Distribution | - | - | 23,465 | 23,465 | 17,586 |
| Debt Service | | | | | |
| Interest | 12,500 | 12,500 | - | (12,500) | - |
| Total Expenditures | 5,758,200 | 5,758,200 | 3,980,848 | (1,777,352) | 3,841,684 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (5,628,200) | (5,628,200) | (3,714,069) | 1,914,131 | (3,542,398) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 75,000 | 75,000 | 75,000 | - | - |
| Notes Issued | 1,000,000 | 1,000,000 | - | (1,000,000) | - |
| Total Other Financing Sources (Uses) | 1,075,000 | 1,075,000 | 75,000 | (1,000,000) | - |
| NET CHANGE IN FUND BALANCE | <u>\$ (4,553,200)</u> | <u>\$ (4,553,200)</u> | <u>(3,639,069)</u> | <u>\$ 914,131</u> | <u>(3,542,398)</u> |
| FUND BALANCE, JANUARY 1 | | | <u>4,634,533</u> | | <u>8,176,931</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 995,464</u> | | <u>\$ 4,634,533</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

TAX INCREMENT FINANCING DISTRICT #8 (EAST FARNSWORTH AREA) FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------------|-----------------------|-----------------------|----------------------------|-----------------------------|----------------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 2,000,000 | \$ 2,000,000 | \$ 2,164,218 | \$ 164,218 | \$ 2,031,675 |
| Investment Income | 10,000 | 10,000 | 130,634 | 120,634 | 80,383 |
| Total Revenues | 2,010,000 | 2,010,000 | 2,294,852 | 284,852 | 2,112,058 |
| EXPENDITURES | | | | | |
| Economic Development | | | | | |
| Redevelopment and Assistance | 4,197,000 | 4,197,000 | 1,975,113 | (2,221,887) | 1,856,697 |
| Surplus Distribution | - | - | 216,422 | 216,422 | 203,168 |
| Total Expenditures | 4,197,000 | 4,197,000 | 2,191,535 | (2,005,465) | 2,059,865 |
| NET CHANGE IN FUND BALANCE | <u>\$ (2,187,000)</u> | <u>\$ (2,187,000)</u> | 103,317 | <u>\$ 2,290,317</u> | 52,193 |
| FUND BALANCE, JANUARY 1 | | | <u>2,763,379</u> | | <u>2,711,186</u> |
| FUND BALANCE, DECEMBER 31 | | | <u><u>\$ 2,866,696</u></u> | | <u><u>\$ 2,763,379</u></u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #9 (STOLP ISLAND AREA) FUND

For the Year Ended December 31, 2019

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------|--------------------------------------|
| REVENUES | | | | |
| Investment Income | \$ - | \$ - | \$ 57,329 | \$ 57,329 |
| Total Revenues | - | - | 57,329 | 57,329 |
| EXPENDITURES | | | | |
| Economic Development Redevelopment and Assistance | - | 2,000,000 | 1,706,867 | (293,133) |
| Total Expenditures | - | 2,000,000 | 1,706,867 | (293,133) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (2,000,000) | (1,649,538) | 350,462 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 2,000,000 | 1,710,000 | (290,000) |
| Total Other Financing Sources (Uses) | - | 2,000,000 | 1,710,000 | (290,000) |
| NET CHANGE IN FUND BALANCE | \$ - | \$ - | 60,462 | \$ 60,462 |
| FUND BALANCE, JANUARY 1 | | | - | |
| FUND BALANCE, DECEMBER 31 | | | \$ 60,462 | |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #10 (GALENA AND BROADWAY AREA) FUND

For the Year Ended December 31, 2019

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------|--------------------------------------|
| REVENUES | | | | |
| Investment Income | \$ - | \$ 34,000 | \$ 33,897 | \$ (103) |
| Total Revenues | - | 34,000 | 33,897 | (103) |
| EXPENDITURES | | | | |
| Economic Development | | | | |
| Redevelopment and Assistance | - | 1,195,400 | 1,195,408 | 8 |
| Debt Service | | | | |
| Interest | - | 20,700 | 20,689 | (11) |
| Total Expenditures | - | 1,216,100 | 1,216,097 | (3) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (1,182,100) | (1,182,200) | (100) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from Lines of Credit | - | 1,395,400 | 1,195,408 | (199,992) |
| Total Other Financing Sources (Uses) | - | 1,395,400 | 1,195,408 | (199,992) |
| NET CHANGE IN FUND BALANCE | \$ - | \$ 213,300 | 13,208 | \$ (200,092) |
| FUND BALANCE, JANUARY 1 | | | - | |
| FUND BALANCE, DECEMBER 31 | | | \$ 13,208 | |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #11 (BENTON AND RIVER AREA) FUND

For the Year Ended December 31, 2019

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|------------------|--------------------------------------|
| REVENUES | | | | |
| None | \$ - | \$ - | \$ - | \$ - |
| Total Revenues | - | - | - | - |
| EXPENDITURES | | | | |
| Economic Development Redevelopment and Assistance | - | 283,400 | 283,333 | (67) |
| Total Expenditures | - | 283,400 | 283,333 | (67) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (283,400) | (283,333) | 67 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 300,000 | 300,000 | - |
| Total Other Financing Sources (Uses) | - | 300,000 | 300,000 | - |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>\$ 16,600</u> | 16,667 | <u>\$ 67</u> |
| FUND BALANCE, JANUARY 1 | | | <u>-</u> | |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 16,667</u> | |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

TAX INCREMENT FINANCING DISTRICT #13 (RIVER AND GALENA AREA) FUND

For the Year Ended December 31, 2019

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|---------------------|--------------------------------------|
| REVENUES | | | | |
| None | \$ - | \$ - | \$ - | \$ - |
| Total Revenues | - | - | - | - |
| EXPENDITURES | | | | |
| Economic Development Redevelopment and Assistance | - | 640,100 | 640,098 | (2) |
| Total Expenditures | - | 640,100 | 640,098 | (2) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (640,100) | (640,098) | 2 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from Lines of Credit | - | 800,000 | - | (800,000) |
| Total Other Financing Sources (Uses) | - | 800,000 | - | (800,000) |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>\$ 159,900</u> | (640,098) | <u>\$ (799,998)</u> |
| FUND BALANCE, JANUARY 1 | | | - | |
| FUND BALANCE (DEFICIT), DECEMBER 31 | | | <u>\$ (640,098)</u> | |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #14 (LINCOLN AND WESTIN AREA) FUND

For the Year Ended December 31, 2019

| | Original Budget | Final Budget | Actual | Variance Over (Under) |
|--|----------------------------|-------------------------|-----------------------|--------------------------------------|
| REVENUES | | | | |
| Investment Income | \$ - | \$ - | \$ 1,696 | \$ 1,696 |
| Total Revenues | - | - | 1,696 | 1,696 |
| EXPENDITURES | | | | |
| Economic Development | | | | |
| Redevelopment and Assistance | - | 3,000,000 | 3,000,000 | - |
| Debt Service | | | | |
| Interest | - | 29,800 | 29,739 | (61) |
| Total Expenditures | - | 3,029,800 | 3,029,739 | (61) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (3,029,800) | (3,028,043) | 1,757 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from Lines of Credit | - | 3,000,000 | 1,500,000 | (1,500,000) |
| Total Other Financing Sources (Uses) | - | 3,000,000 | 1,500,000 | (1,500,000) |
| NET CHANGE IN FUND BALANCE | \$ - | \$ (29,800) | (1,528,043) | \$ (1,498,243) |
| FUND BALANCE, JANUARY 1 | | | - | |
| FUND BALANCE (DEFICIT), DECEMBER 31 | | | <u>\$ (1,528,043)</u> | |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

SPECIAL SERVICE AREAS FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|--------------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Property Taxes | \$ 613,700 | \$ 613,700 | \$ 607,198 | \$ (6,502) | \$ 569,202 |
| Intergovernmental | - | - | 32,188 | 32,188 | 25,663 |
| Rental Income | - | - | 175 | 175 | 175 |
| Investment Income | 1,000 | 1,000 | 7,592 | 6,592 | 5,482 |
| Total Revenues | 614,700 | 614,700 | 647,153 | 32,453 | 600,522 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Streets and Transportation | | | | | |
| Other Services and Charges | 404,600 | 404,600 | 352,506 | (52,094) | 357,050 |
| Debt Service | | | | | |
| Principal | 405,000 | 405,000 | 405,000 | - | 385,000 |
| Interest | 25,100 | 25,100 | 25,050 | (50) | 37,650 |
| Total Expenditures | 834,700 | 834,700 | 782,556 | (52,144) | 779,700 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (220,000) | (220,000) | (135,403) | 84,597 | (179,178) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 210,000 | 210,000 | 210,000 | - | 210,000 |
| Total Other Financing Sources (Uses) | 210,000 | 210,000 | 210,000 | - | 210,000 |
| NET CHANGE IN FUND BALANCE | \$ (10,000) | \$ (10,000) | 74,597 | \$ 84,597 | 30,822 |
| FUND BALANCE, JANUARY 1 | | | <u>146,943</u> | | <u>116,121</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 221,540</u> | | <u>\$ 146,943</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

STORMWATER MANAGEMENT FEE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Stormwater Management Fees | \$ 2,600,000 | \$ 2,600,000 | \$ 2,698,942 | \$ 98,942 | \$ 2,698,012 |
| Investment Income | 15,000 | 15,000 | 149,412 | 134,412 | 102,837 |
| Total Revenues | 2,615,000 | 2,615,000 | 2,848,354 | 233,354 | 2,800,849 |
| EXPENDITURES | | | | | |
| Capital Projects | | | | | |
| Drainage/Sewer Projects | 4,290,500 | 4,290,500 | 790,972 | (3,499,528) | 670,369 |
| Debt Service | | | | | |
| Principal | 160,700 | 160,700 | 169,034 | 8,334 | 164,829 |
| Interest | 18,200 | 18,200 | 9,854 | (8,346) | 14,059 |
| Total Expenditures | 4,469,400 | 4,469,400 | 969,860 | (3,499,540) | 849,257 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,854,400) | (1,854,400) | 1,878,494 | 3,732,894 | 1,951,592 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers (Out) | (878,900) | (878,900) | (878,900) | - | (878,700) |
| Total Other Financing Sources (Uses) | (878,900) | (878,900) | (878,900) | - | (878,700) |
| NET CHANGE IN FUND BALANCE | \$ (2,733,300) | \$ (2,733,300) | 999,594 | \$ 3,732,894 | 1,072,892 |
| FUND BALANCE, JANUARY 1 | | | 3,893,042 | | 2,820,150 |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 4,892,636</u> | | <u>\$ 3,893,042</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

LONG-TERM CONTROL PLAN FEE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|-----------------------|-----------------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Long-Term Capital Planning Fee | \$ 2,230,000 | \$ 2,230,000 | \$ 2,288,864 | \$ 58,864 | \$ 2,289,410 |
| Investment Income | 5,000 | 5,000 | 88,324 | 83,324 | 53,352 |
| Total Revenues | 2,235,000 | 2,235,000 | 2,377,188 | 142,188 | 2,342,762 |
| EXPENDITURES | | | | | |
| Capital Outlay | | | | | |
| Drainage/Sewer Projects | 4,040,500 | 4,040,500 | 3,034,609 | (1,005,891) | 809,967 |
| Debt Service | | | | | |
| Principal | 294,600 | 294,600 | 598,131 | 303,531 | 99,480 |
| Interest | 122,300 | 122,300 | 240,366 | 118,066 | 99,285 |
| Total Expenditures | 4,457,400 | 4,457,400 | 3,873,106 | (584,294) | 1,008,732 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (2,222,400) | (2,222,400) | (1,495,918) | 726,482 | 1,334,030 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Illinois EPA Loan Issued | - | - | - | - | 324,491 |
| Total Other Financing Sources (Uses) | - | - | - | - | 324,491 |
| NET CHANGE IN FUND BALANCE | <u>\$ (2,222,400)</u> | <u>\$ (2,222,400)</u> | (1,495,918) | <u>\$ 726,482</u> | 1,658,521 |
| FUND BALANCE, JANUARY 1 | | | 4,159,009 | | 2,500,488 |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 2,663,091</u> | | <u>\$ 4,159,009</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2019

| | Capital Improvements Fund | 2008B TIF Bond Project | Gaming Tax | 2017 GO Bond Project |
|---|---------------------------------|------------------------------|---------------------|-------------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash and Investments | \$ 10,201,918 | \$ 1,607,019 | \$ 6,802,020 | \$ 5,390,836 |
| Receivables | | | | |
| Property Tax | - | - | - | - |
| Other Taxes | 118,007 | - | 779,265 | - |
| Loan | - | - | 30,071 | - |
| Interest | 17,862 | - | - | 1,450 |
| Other | 22,698 | - | 111,080 | - |
| Prepaid Items | - | - | - | - |
| Due from Other Funds | - | - | 776,594 | 200,000 |
| Due from Other Governments | 85,545 | - | - | 1,138,922 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Assets | 10,446,030 | 1,607,019 | 8,499,030 | 6,731,208 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| None | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Deferred Outflows of Resources | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 10,446,030 | \$ 1,607,019 | \$ 8,499,030 | \$ 6,731,208 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 1,325,676 | \$ - | \$ 717,173 | \$ 762,075 |
| Retainage Payable | 44,827 | - | - | 123,355 |
| Deposits Payable | - | - | 750 | - |
| Unearned Revenue | 573,608 | - | 113,080 | - |
| Due to Other Funds | 200,000 | - | - | - |
| Interest Payable | - | - | 10,756 | - |
| Line of Credit | - | - | 5,000,000 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Liabilities | 2,144,111 | - | 5,841,759 | 885,430 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue - Property Taxes | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Deferred Inflows of Resources | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Liabilities and Deferred Inflows of Resources | 2,144,111 | - | 5,841,759 | 885,430 |
| FUND BALANCES | | | | |
| Nonspendable | | | | |
| Prepaid Items | - | - | - | - |
| Restricted | | | | |
| Public Safety | - | - | - | - |
| Streets and Transportation | - | - | - | - |
| Economic Development | - | 1,607,019 | - | - |
| Capital Projects | - | - | - | 5,775,714 |
| Unrestricted | | | | |
| Assigned | 8,301,919 | - | 2,657,271 | 70,064 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Fund Balances (Deficit) | 8,301,919 | 1,607,019 | 2,657,271 | 5,845,778 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 10,446,030 | \$ 1,607,019 | \$ 8,499,030 | \$ 6,731,208 |

| Fire Impact Fees | Public Works Impact Fees | Ward Projects | Total |
|-----------------------------|-------------------------------------|--------------------------|----------------------|
| \$ 1,129,154 | \$ 186,815 | \$ 4,205,873 | \$ 29,523,635 |
| - | - | 71,187 | 71,187 |
| - | - | - | 897,272 |
| 17,313 | - | 10,278 | 57,662 |
| - | - | 1,099 | 20,411 |
| - | - | 884 | 134,662 |
| - | - | 1,450 | 1,450 |
| - | - | - | 976,594 |
| - | - | - | 1,224,467 |
| <u>1,146,467</u> | <u>186,815</u> | <u>4,290,771</u> | <u>32,907,340</u> |
| - | - | - | - |
| - | - | - | - |
| <u>\$ 1,146,467</u> | <u>\$ 186,815</u> | <u>\$ 4,290,771</u> | <u>\$ 32,907,340</u> |
| \$ - | \$ - | \$ 71,000 | \$ 2,875,924 |
| - | - | - | 168,182 |
| - | - | - | 750 |
| 17,313 | - | 11,612 | 715,613 |
| - | - | - | 200,000 |
| - | - | - | 10,756 |
| - | - | - | 5,000,000 |
| <u>17,313</u> | <u>-</u> | <u>82,612</u> | <u>8,971,225</u> |
| - | - | 71,187 | 71,187 |
| - | - | 71,187 | 71,187 |
| <u>17,313</u> | <u>-</u> | <u>153,799</u> | <u>9,042,412</u> |
| - | - | 1,450 | 1,450 |
| 1,129,154 | - | - | 1,129,154 |
| - | 186,815 | - | 186,815 |
| - | - | - | 1,607,019 |
| - | - | - | 5,775,714 |
| - | - | 4,135,522 | 15,164,776 |
| <u>1,129,154</u> | <u>186,815</u> | <u>4,136,972</u> | <u>23,864,928</u> |
| <u>\$ 1,146,467</u> | <u>\$ 186,815</u> | <u>\$ 4,290,771</u> | <u>\$ 32,907,340</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2019

| | Capital Improvements Fund | 2008B TIF Bond Project | Gaming Tax | 2017 GO Bond Project |
|--|--|---------------------------------------|-----------------------|---------------------------------|
| REVENUES | | | | |
| Other Taxes | | | | |
| Home Rule Sales | \$ 414,334 | \$ - | \$ - | \$ - |
| Gaming Tax | - | - | 7,180,275 | - |
| Intergovernmental | 88,206 | - | - | 721,178 |
| Charges for Services | 11,520 | - | - | - |
| Licenses, Fees and Permits | 26,862 | - | - | - |
| Investment Income | 242,675 | 22,233 | 119,709 | 146,346 |
| Other | 142,805 | - | 142,859 | - |
| Total Revenues | 926,402 | 22,233 | 7,442,843 | 867,524 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | - | - | 844,366 | - |
| Streets and Transportation | - | - | 125,123 | 2,049,566 |
| Culture and Recreation | - | - | 796,196 | - |
| Economic Development | - | - | 10,347,846 | - |
| Capital Outlay | | | | |
| Roadway | 4,780,181 | - | - | 102,930 |
| Other | 3,095,921 | - | - | 887,662 |
| Debt Services | | | | |
| Interest | - | - | 121,001 | - |
| Total Expenditures | 7,876,102 | - | 12,234,532 | 3,040,158 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (6,949,700) | 22,233 | (4,791,689) | (2,172,634) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 5,000,000 | - | - | - |
| Transfers (Out) | (350,000) | - | (2,931,400) | - |
| Proceeds from Issuance Lines of Credit | - | - | 4,800,000 | - |
| Total Other Financing Sources (Uses) | 4,650,000 | - | 1,868,600 | - |
| NET CHANGE IN FUND BALANCES | (2,299,700) | 22,233 | (2,923,089) | (2,172,634) |
| FUND BALANCES, JANUARY 1 | 10,601,619 | 1,584,786 | 5,580,360 | 8,018,412 |
| FUND BALANCES, DECEMBER 31 | \$ 8,301,919 | \$ 1,607,019 | \$ 2,657,271 | \$ 5,845,778 |

| Fire Impact Fees | Public Works Impact Fees | Ward Projects | Total |
|-----------------------------|-------------------------------------|--------------------------|---------------|
| \$ - | \$ - | \$ - | \$ 414,334 |
| - | - | - | 7,180,275 |
| - | - | 50,000 | 859,384 |
| - | - | 52,503 | 64,023 |
| 156,792 | 5,448 | - | 189,102 |
| 21,020 | 3,839 | 88,281 | 644,103 |
| - | - | 7,201 | 292,865 |
| 177,812 | 9,287 | 197,985 | 9,644,086 |
| - | - | - | 844,366 |
| - | - | - | 2,174,689 |
| - | - | - | 796,196 |
| - | - | - | 10,347,846 |
| - | - | 216,105 | 5,099,216 |
| - | - | 594,952 | 4,578,535 |
| - | - | - | 121,001 |
| - | - | 811,057 | 23,961,849 |
| 177,812 | 9,287 | (613,072) | (14,317,763) |
| - | - | 750,000 | 5,750,000 |
| - | - | - | (3,281,400) |
| - | - | - | 4,800,000 |
| - | - | 750,000 | 7,268,600 |
| 177,812 | 9,287 | 136,928 | (7,049,163) |
| 951,342 | 177,528 | 4,000,044 | 30,914,091 |
| \$ 1,129,154 | \$ 186,815 | \$ 4,136,972 | \$ 23,864,928 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

CAPITAL IMPROVEMENTS FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | | 2018 Actual |
|--|------------------------|------------------------|---------------------|-----------------------------|----------------------|
| | Original Budget | Final Budget | Actual | Variance Over (Under) | |
| REVENUES | | | | | |
| Other Taxes | | | | | |
| Home Rule Sales | \$ 400,000 | \$ 400,000 | \$ 414,334 | \$ 14,334 | \$ 1,987,871 |
| Intergovernmental | 20,000 | 20,000 | 88,206 | 68,206 | 131,834 |
| Charges for Services | - | - | 11,520 | 11,520 | 81,846 |
| Licenses, Fees and Permits | 44,000 | 44,000 | 26,862 | (17,138) | 26,007 |
| Investment Income | 40,000 | 40,000 | 242,675 | 202,675 | 222,515 |
| Other | 50,000 | 283,800 | 142,805 | (140,995) | 259,293 |
| Total Revenues | 554,000 | 787,800 | 926,402 | 138,602 | 2,709,366 |
| EXPENDITURES | | | | | |
| Capital Outlay | | | | | |
| Roadway | 6,856,600 | 6,952,500 | 4,780,181 | (2,172,319) | 1,768,713 |
| Other Projects | 12,034,700 | 12,472,600 | 3,095,921 | (9,376,679) | 1,637,410 |
| Total Expenditures | 18,891,300 | 19,425,100 | 7,876,102 | (11,548,998) | 3,406,123 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (18,337,300) | (18,637,300) | (6,949,700) | 11,687,600 | (696,757) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer In | 5,200,000 | 5,500,000 | 5,000,000 | (500,000) | - |
| Transfer (Out) | (350,000) | (350,000) | (350,000) | - | (350,000) |
| Proceeds from Issuance of Note | 3,000,000 | 3,000,000 | - | (3,000,000) | - |
| Total Other Financing Sources (Uses) | 7,850,000 | 8,150,000 | 4,650,000 | (3,500,000) | (350,000) |
| NET CHANGE IN FUND BALANCE | \$ (10,487,300) | \$ (10,487,300) | (2,299,700) | \$ 8,187,600 | (1,046,757) |
| FUND BALANCE, JANUARY 1 | | | 10,601,619 | | 11,648,376 |
| FUND BALANCE, DECEMBER 31 | | | \$ 8,301,919 | | \$ 10,601,619 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

2008B TIF BOND PROJECT FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | | 2018 Actual |
|-----------------------------------|--------------------|-----------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | Variance Over (Under) | |
| REVENUES | | | | | |
| Investment Income | \$ 1,000 | \$ 1,000 | \$ 22,233 | \$ 21,233 | \$ 20,499 |
| EXPENDITURES | | | | | |
| None | - | - | - | - | - |
| NET CHANGE IN FUND BALANCE | <u>\$ 1,000</u> | <u>\$ 1,000</u> | 22,233 | <u>\$ 21,233</u> | 20,499 |
| FUND BALANCE, JANUARY 1 | | | <u>1,584,786</u> | | <u>1,564,287</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 1,607,019</u> | | <u>\$ 1,584,786</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GAMING TAX FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|---------------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Other Taxes | | | | | |
| Gaming Tax | | | | | |
| Admissions | \$ 1,000,000 | \$ 1,000,000 | \$ 904,713 | \$ (95,287) | \$ 938,382 |
| Wagering | 5,800,000 | 5,800,000 | 5,731,926 | (68,074) | 5,846,023 |
| Video | 330,000 | 330,000 | 543,636 | 213,636 | 505,730 |
| Charges for Services | 31,800 | 31,800 | - | (31,800) | - |
| Intergovernmental | - | 25,000 | - | (25,000) | - |
| Investment Income | 25,000 | 25,000 | 119,709 | 94,709 | 77,204 |
| Other | 109,000 | 129,000 | 142,859 | 13,859 | 113,223 |
| Total Revenues | 7,295,800 | 7,340,800 | 7,442,843 | 102,043 | 7,480,562 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | 925,375 | 1,175,375 | 844,366 | (331,009) | 738,687 |
| Streets and Transportation | 710,000 | 710,000 | 125,123 | (584,877) | 345,400 |
| Culture and Recreation | 946,950 | 846,950 | 796,196 | (50,754) | 793,791 |
| Economic Development | 1,600,600 | 9,408,700 | 10,347,846 | 939,146 | 1,564,497 |
| Debt Service | | | | | |
| Interest | - | 121,000 | 121,001 | 1 | - |
| Total Expenditures | 4,182,925 | 12,262,025 | 12,234,532 | (27,493) | 3,442,375 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 3,112,875 | (4,921,225) | (4,791,689) | 129,536 | 4,038,187 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers (Out) | (2,931,400) | (2,931,400) | (2,931,400) | - | (3,305,100) |
| Proceeds from Issuance Lines of Credit | - | 9,800,000 | 4,800,000 | (5,000,000) | - |
| Total Other Financing Sources (Uses) | (2,931,400) | 6,868,600 | 1,868,600 | (5,000,000) | (3,305,100) |
| NET CHANGE IN FUND BALANCE | \$ 181,475 | \$ 1,947,375 | (2,923,089) | \$ (4,870,464) | 733,087 |
| FUND BALANCE, JANUARY 1 | | | 5,580,360 | | 4,847,273 |
| FUND BALANCE, DECEMBER 31 | | | \$ 2,657,271 | | \$ 5,580,360 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

2017 GENERAL OBLIGATION BOND PROJECT FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|----------------------------|-----------------------|-----------------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Intergovernmental | \$ - | \$ - | \$ 721,178 | \$ 721,178 | \$ 1,229,530 |
| Investment Income | - | - | 146,346 | 146,346 | 178,441 |
| Total Revenues | - | - | 867,524 | 867,524 | 1,407,971 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Public Safety | - | - | - | - | 580,815 |
| Streets and Transportation | 4,463,900 | 4,463,900 | 2,049,566 | (2,414,334) | 1,880,073 |
| Roadway | 735,600 | 735,600 | 102,930 | (632,670) | 74,958 |
| Other Projects | 1,519,300 | 1,519,300 | 887,662 | (631,638) | 2,864,518 |
| Total Expenditures | 6,718,800 | 6,718,800 | 3,040,158 | (3,678,642) | 5,400,364 |
| NET CHANGE IN FUND BALANCE | <u>\$ (6,718,800)</u> | <u>\$ (6,718,800)</u> | (2,172,634) | <u>\$ 4,546,166</u> | (3,992,393) |
| FUND BALANCE, JANUARY 1 | | | <u>8,018,412</u> | | <u>12,010,805</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 5,845,778</u> | | <u>\$ 8,018,412</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FIRE IMPACT FEES FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | | 2018 Actual |
|----------------------------------|--------------------|------------------|---------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | Variance Over (Under) | |
| REVENUES | | | | | |
| Impact Fees | \$ 60,000 | \$ 60,000 | \$ 156,792 | \$ 96,792 | \$ 95,552 |
| Investment Income | 4,000 | 4,000 | 21,020 | 17,020 | 24,678 |
| Total Revenues | 64,000 | 64,000 | 177,812 | 113,812 | 120,230 |
| EXPENDITURES | | | | | |
| Capital Outlay | | | | | |
| Public Safety | - | - | - | - | 547,272 |
| NET CHANGE IN FUND BALANCE | <u>\$ 64,000</u> | <u>\$ 64,000</u> | 177,812 | <u>\$ 113,812</u> | (427,042) |
| FUND BALANCE, JANUARY 1 | | | <u>951,342</u> | | <u>1,378,384</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 1,129,154</u> | | <u>\$ 951,342</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

PUBLIC WORKS IMPACT FEES FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | | 2018 Actual |
|-----------------------------------|--------------------|-----------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | Variance Over (Under) | |
| REVENUES | | | | | |
| Impact Fees | \$ - | \$ - | \$ 5,448 | \$ 5,448 | \$ 10,146 |
| Investment Income | 1,000 | 1,000 | 3,839 | 2,839 | 2,759 |
| Total Revenues | 1,000 | 1,000 | 9,287 | 8,287 | 12,905 |
| EXPENDITURES | | | | | |
| None | - | - | - | - | - |
| NET CHANGE IN FUND BALANCE | <u>\$ 1,000</u> | <u>\$ 1,000</u> | 9,287 | <u>\$ 8,287</u> | 12,905 |
| FUND BALANCE, JANUARY 1 | | | <u>177,528</u> | | <u>164,623</u> |
| FUND BALANCE, DECEMBER 31 | | | <u>\$ 186,815</u> | | <u>\$ 177,528</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

WARD PROJECTS FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|--------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Voluntary Assessments | \$ 47,875 | \$ 47,875 | \$ 52,503 | \$ 4,628 | \$ 50,316 |
| Intergovernmental | - | - | 50,000 | 50,000 | - |
| Investment Income | - | - | 88,281 | 88,281 | 66,714 |
| Recovery of Costs | - | - | 651 | 651 | - |
| Donations | - | - | 6,550 | 6,550 | 1,300 |
| Total Revenues | 47,875 | 47,875 | 197,985 | 150,110 | 118,330 |
| EXPENDITURES | | | | | |
| Capital Projects | | | | | |
| Roadway | 1,530,200 | 1,424,100 | 216,105 | (1,207,995) | 249,330 |
| Other | 1,046,650 | 1,152,750 | 594,952 | (557,798) | 480,463 |
| Total Expenditures | 2,576,850 | 2,576,850 | 811,057 | (1,765,793) | 729,793 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (2,528,975) | (2,528,975) | (613,072) | 1,915,903 | (611,463) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 750,000 | 750,000 | 750,000 | - | 750,000 |
| Total Other Financing Sources (Uses) | 750,000 | 750,000 | 750,000 | - | 750,000 |
| NET CHANGE IN FUND BALANCE | \$ (1,778,975) | \$ (1,778,975) | 136,928 | \$ 1,915,903 | 138,537 |
| FUND BALANCE, JANUARY 1 | | | 4,000,044 | | 3,861,507 |
| FUND BALANCE, DECEMBER 31 | | | \$ 4,136,972 | | \$ 4,000,044 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

WARD PROJECTS FUND

December 31, 2019

| | Ward 1 | Ward 2 | Ward 3 | Ward 4 | Ward 5 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| ASSETS | | | | | |
| Cash and Investments | \$ 541,463 | \$ 339,258 | \$ 377,452 | \$ 508,286 | \$ 504,075 |
| Receivable | | | | | |
| Property Taxes | 12,712 | 16,528 | - | 17,927 | - |
| Loan | - | 8,356 | - | - | - |
| Interest | - | - | - | - | - |
| Other | - | - | - | - | - |
| Prepaid Items | - | - | - | - | - |
| Total Assets | 554,175 | 364,142 | 377,452 | 526,213 | 504,075 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| None | - | - | - | - | - |
| Total Deferred Outflows of Resources | - | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 554,175 | \$ 364,142 | \$ 377,452 | \$ 526,213 | \$ 504,075 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 18,628 | \$ 1,825 | \$ 4,388 | \$ 7,507 | \$ 33,283 |
| Unearned Revenues | - | 9,306 | - | - | - |
| Total Liabilities | 18,628 | 11,131 | 4,388 | 7,507 | 33,283 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue - Property Taxes | 12,712 | 16,528 | - | 17,927 | - |
| Total Deferred Inflows of Resources | 12,712 | 16,528 | - | 17,927 | - |
| Total Liabilities and Deferred Inflows of Resources | 31,340 | 27,659 | 4,388 | 25,434 | 33,283 |
| FUND BALANCES | | | | | |
| Nonspendable | - | - | - | - | - |
| Unrestricted | | | | | |
| Assigned for Capital Projects | 522,835 | 336,483 | 373,064 | 500,779 | 470,792 |
| Total Fund Balances | 522,835 | 336,483 | 373,064 | 500,779 | 470,792 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 554,175 | \$ 364,142 | \$ 377,452 | \$ 526,213 | \$ 504,075 |

| Ward 6 | Ward 7 | Ward 8 | Ward 9 | Ward 10 | Total |
|---------------|---------------|---------------|---------------|----------------|--------------|
| \$ 387,877 | \$ 98,912 | \$ 481,786 | \$ 819,071 | \$ 147,693 | \$ 4,205,873 |
| 22,906 | 1,114 | - | - | - | 71,187 |
| 1,922 | - | - | - | - | 10,278 |
| - | - | 1,099 | - | - | 1,099 |
| 384 | 500 | - | - | - | 884 |
| - | 1,450 | - | - | - | 1,450 |
| 413,089 | 101,976 | 482,885 | 819,071 | 147,693 | 4,290,771 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| \$ 413,089 | \$ 101,976 | \$ 482,885 | \$ 819,071 | \$ 147,693 | \$ 4,290,771 |
| \$ 9 | \$ 101 | \$ - | \$ 554 | \$ 4,705 | \$ 71,000 |
| 2,306 | - | - | - | - | 11,612 |
| 2,315 | 101 | - | 554 | 4,705 | 82,612 |
| 22,906 | 1,114 | - | - | - | 71,187 |
| 22,906 | 1,114 | - | - | - | 71,187 |
| 25,221 | 1,215 | - | 554 | 4,705 | 153,799 |
| - | 1,450 | - | - | - | 1,450 |
| 387,868 | 99,311 | 482,885 | 818,517 | 142,988 | 4,135,522 |
| 387,868 | 100,761 | 482,885 | 818,517 | 142,988 | 4,136,972 |
| \$ 413,089 | \$ 101,976 | \$ 482,885 | \$ 819,071 | \$ 147,693 | \$ 4,290,771 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

WARD PROJECTS FUND

For the Year Ended December 31, 2019

| | Ward 1 | Ward 2 | Ward 3 | Ward 4 | Ward 5 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| REVENUES | | | | | |
| Voluntary Assessments | \$ 12,841 | \$ 5,860 | \$ - | \$ 18,300 | \$ - |
| Intergovernmental | - | - | - | - | - |
| Investment Income | 10,706 | 7,215 | 8,311 | 9,671 | 10,223 |
| Recovery of Costs | - | - | - | - | - |
| Donations | - | 2,000 | - | - | - |
| Total Revenues | 23,547 | 15,075 | 8,311 | 27,971 | 10,223 |
| EXPENDITURES | | | | | |
| Capital Outlay | | | | | |
| Roadway | 27,040 | - | 72,096 | 7,506 | 1,850 |
| Other | 23,494 | 72,303 | 28,705 | 23,175 | 88,091 |
| Total Expenditures | 50,534 | 72,303 | 100,801 | 30,681 | 89,941 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (26,987) | (57,228) | (92,490) | (2,710) | (79,718) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Total Other Financing Sources (Uses) | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| NET CHANGE IN FUND BALANCE | 48,013 | 17,772 | (17,490) | 72,290 | (4,718) |
| FUND BALANCE, JANUARY 1 | 474,822 | 318,711 | 390,554 | 428,489 | 475,510 |
| FUND BALANCE, DECEMBER 31 | \$ 522,835 | \$ 336,483 | \$ 373,064 | \$ 500,779 | \$ 470,792 |

| Ward 6 | Ward 7 | Ward 8 | Ward 9 | Ward 10 | Total |
|---------------|---------------|---------------|---------------|----------------|--------------|
| \$ 11,656 | \$ 1,221 | \$ - | \$ 2,625 | \$ - | \$ 52,503 |
| 50,000 | - | - | - | - | 50,000 |
| 8,221 | 2,355 | 10,405 | 17,904 | 3,270 | 88,281 |
| - | - | 217 | 217 | 217 | 651 |
| - | - | - | 4,550 | - | 6,550 |
| 69,877 | 3,576 | 10,622 | 25,296 | 3,487 | 197,985 |
| 50,000 | - | 15,799 | 15,880 | 25,934 | 216,105 |
| 107,688 | 96,617 | 35,837 | 66,034 | 53,008 | 594,952 |
| 157,688 | 96,617 | 51,636 | 81,914 | 78,942 | 811,057 |
| (87,811) | (93,041) | (41,014) | (56,618) | (75,455) | (613,072) |
| 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 750,000 |
| 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 750,000 |
| (12,811) | (18,041) | 33,986 | 18,382 | (455) | 136,928 |
| 400,679 | 118,802 | 448,899 | 800,135 | 143,443 | 4,000,044 |
| \$ 387,868 | \$ 100,761 | \$ 482,885 | \$ 818,517 | \$ 142,988 | \$ 4,136,972 |

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

NONMAJOR ENTERPRISE FUNDS

Motor Vehicle Parking System Fund - to account for the provision of public parking services for a fee. All activities necessary to provide such services are accounted for in the fund including administration, operations, maintenance, financing and related debt service and billing and collection. Financial transactions related to the Stolp Island Parking Deck, 18 surface parking lots and metered on-street parking are recorded in this fund.

Transportation Center Fund - to account for the provision of commuter parking services for a fee. All activities necessary to provide such services are accounted for in the fund including administration, operations, maintenance, financing and related debt service and billing and collection. Financial transactions related to two surface commuter parking facilities, which are operated by the City along the Metra railroad tracks at Illinois Routes 25 and 59, are recorded in this fund.

Golf Operations Fund - to account for all aspects of the operations of the Phillips Park Golf Course which is owned and operated by the City.

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

December 31, 2019

| | Motor Vehicle Parking System | Transportation Center | Golf Operations | Total |
|--|---|----------------------------------|----------------------------|----------------------|
| CURRENT ASSETS | | | | |
| Cash and Investments | \$ 256,691 | \$ 610,702 | \$ 1,053,356 | \$ 1,920,749 |
| Receivables | | | | |
| Accounts (Net of Allowance) | 13 | 157,913 | 5,088 | 163,014 |
| Interest | - | 583 | - | 583 |
| Prepays | - | - | 400 | 400 |
| Due from Other Funds | 40 | - | - | 40 |
| Due from Other Governments | 88,506 | - | - | 88,506 |
| Total Current Assets | 345,250 | 769,198 | 1,058,844 | 2,173,292 |
| CAPITAL ASSETS | | | | |
| Nondepreciable | 8,370,754 | 2,312,880 | - | 10,683,634 |
| Depreciable (Net of Accumulated Depreciation) | 8,430,755 | 1,428,774 | 1,344,520 | 11,204,049 |
| Total Capital Assets | 16,801,509 | 3,741,654 | 1,344,520 | 21,887,683 |
| Total Assets | 17,146,759 | 4,510,852 | 2,403,364 | 24,060,975 |
| DEFERRED OUTFLOW OF RESOURCES | | | | |
| Pension Items - IMRF | 108,149 | 591,443 | 317,690 | 1,017,282 |
| OPEB Items | 309,333 | 474,648 | 393,182 | 1,177,163 |
| Total Deferred Outflows of Resources | 417,482 | 1,066,091 | 710,872 | 2,194,445 |
| Total Assets and Deferred Outflows of Resources | 17,564,241 | 5,576,943 | 3,114,236 | 26,255,420 |
| CURRENT LIABILITIES | | | | |
| Accounts Payable | 68,860 | 74,105 | 11,986 | 154,951 |
| Accrued Payroll | 17,278 | 55,808 | 39,439 | 112,525 |
| Retainage Payable | - | 12,976 | - | 12,976 |
| Other Unearned Revenue | 4,465 | 85,010 | 28,133 | 117,608 |
| Compensated Absences Payable | 2,921 | 8,079 | 5,754 | 16,754 |
| Total Current Liabilities | 93,524 | 235,978 | 85,312 | 414,814 |
| NONCURRENT LIABILITIES | | | | |
| Compensated Absences Payable | 55,503 | 153,505 | 109,333 | 318,341 |
| Net Other Postemployment Benefits Liability | 616,891 | 946,573 | 784,107 | 2,347,571 |
| Net Pension Liability - IMRF | 182,972 | 1,000,631 | 537,483 | 1,721,086 |
| Total Noncurrent Liabilities | 855,366 | 2,100,709 | 1,430,923 | 4,386,998 |
| Total Liabilities | 948,890 | 2,336,687 | 1,516,235 | 4,801,812 |
| DEFERRED INFLOW OF RESOURCES | | | | |
| Pension Items - IMRF | 22,373 | 122,353 | 65,721 | 210,447 |
| OPEB Items | 84,383 | 129,479 | 107,256 | 321,118 |
| Total Deferred Inflows of Resources | 106,756 | 251,832 | 172,977 | 531,565 |
| Total Liabilities and Deferred Inflows of Resources | 1,055,646 | 2,588,519 | 1,689,212 | 5,333,377 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 16,801,509 | 3,741,654 | 1,344,520 | 21,887,683 |
| Unrestricted (Deficit) | (292,914) | (753,230) | 80,504 | (965,640) |
| TOTAL NET POSITION | \$ 16,508,595 | \$ 2,988,424 | \$ 1,425,024 | \$ 20,922,043 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

| | Motor Vehicle Parking System | Transportation Center | Golf Operations | Total |
|---|---|----------------------------------|----------------------------|--------------------|
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 729,909 | \$ 2,320,833 | \$ 1,099,687 | \$ 4,150,429 |
| Total Operating Revenues | 729,909 | 2,320,833 | 1,099,687 | 4,150,429 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | | | |
| Personnel Services | 451,073 | 1,278,667 | 777,409 | 2,507,149 |
| Materials and Supplies | 110,893 | 125,888 | 272,039 | 508,820 |
| Other Services and Charges | 418,078 | 1,275,707 | 168,312 | 1,862,097 |
| Total Operating Expenses Excluding Depreciation | 980,044 | 2,680,262 | 1,217,760 | 4,878,066 |
| OPERATING INCOME BEFORE DEPRECIATION | | | | |
| | (250,135) | (359,429) | (118,073) | (727,637) |
| Depreciation | 402,355 | 142,499 | 224,737 | 769,591 |
| OPERATING INCOME (LOSS) | (652,490) | (501,928) | (342,810) | (1,497,228) |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Sales Tax | 310,750 | - | - | 310,750 |
| Investment Income | 6,207 | 17,028 | 76,966 | 100,201 |
| Gain on Sale of Assets | - | 33,194 | - | 33,194 |
| Interest Expense | - | - | (10,276) | (10,276) |
| Total Non-Operating Revenues (Expenses) | 316,957 | 50,222 | 66,690 | 433,869 |
| INCOME (LOSS) BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS | | | | |
| | (335,533) | (451,706) | (276,120) | (1,063,359) |
| TRANSFERS | | | | |
| Transfers (Out) | - | - | (4,410,000) | (4,410,000) |
| Total Transfers | - | - | (4,410,000) | (4,410,000) |
| CHANGE IN NET POSITION | | | | |
| | (335,533) | (451,706) | (4,686,120) | (5,473,359) |
| NET POSITION, JANUARY 1 | | | | |
| | 16,844,128 | 3,440,130 | 6,111,144 | 26,395,402 |
| NET POSITION, DECEMBER 31 | | | | |
| | \$ 16,508,595 | \$ 2,988,424 | \$ 1,425,024 | \$ 20,922,043 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

| | Motor Vehicle Parking System | Transportation Center | Golf Operations | Total |
|---|---|----------------------------------|----------------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from Customers and Users | \$ 731,147 | \$ 2,315,383 | \$ 1,096,112 | \$ 4,142,642 |
| Payments to Suppliers | (513,549) | (1,155,262) | (438,469) | (2,107,280) |
| Overhead Payments to Other Funds | - | (256,844) | - | (256,844) |
| Payments to Employees | (530,657) | (1,166,323) | (639,039) | (2,336,019) |
| Net Cash from Operating Activities | (313,059) | (263,046) | 18,604 | (557,501) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Sales Taxes | 249,469 | - | - | 249,469 |
| Due from other funds | (40) | - | - | (40) |
| Transfers (Out) | - | - | (4,410,000) | (4,410,000) |
| Net Cash from Noncapital Financing Activities | 249,429 | - | (4,410,000) | (4,160,571) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Property, Plant and Equipment Acquired or Constructed | - | (78,911) | - | (78,911) |
| Principal Paid on Bonds | - | - | (410,000) | (410,000) |
| Proceeds from the Sale of Capital Assets | - | - | - | - |
| Bond Interest and Fiscal Agents' Fees | - | - | (10,251) | (10,251) |
| Net Cash from Capital and Related Financing Activities | - | (78,911) | (420,251) | (499,162) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Proceeds from Sale and Maturities on Investment Securities | 700,000 | - | 4,000,000 | 4,700,000 |
| Purchase of Investment Securities | (559,115) | - | (4,650,092) | (5,209,207) |
| Interest on Investments | 9,032 | 37,825 | 38,927 | 85,784 |
| Net Cash from Investing Activities | 149,917 | 37,825 | (611,165) | (423,423) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 86,287 | (304,132) | (5,422,812) | (5,640,657) |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | (69,431) | 419,886 | 5,684,359 | 6,034,814 |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | \$ 16,856 | \$ 115,754 | \$ 261,547 | \$ 394,157 |

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

| | <u>Motor Vehicle Parking System</u> | <u>Transportation Center</u> | <u>Golf Operations</u> | <u>Total</u> |
|--|---|----------------------------------|----------------------------|---------------------|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating Income (Loss) | \$ (652,490) | \$ (501,928) | \$ (342,810) | \$ (1,497,228) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities | | | | |
| Depreciation | 402,355 | 142,499 | 224,737 | 769,591 |
| (Increase) Decrease in | | | | |
| Accounts Receivable | (17) | (5,855) | 90 | (5,782) |
| Prepaid Expenses | - | - | (400) | (400) |
| Deferred Outflows of Resources - Pension Items - IMRF | (79,517) | (353,676) | (201,918) | (635,111) |
| Deferred Outflows of Resources - OPEB | 177,802 | 43,242 | 31,049 | 252,093 |
| Increase (Decrease) in | | | | |
| Accounts Payable | 15,422 | (10,511) | 2,282 | 7,193 |
| Accrued Payroll | (4,359) | (1,596) | 9,652 | 3,697 |
| Unearned Revenue | 1,255 | 405 | (3,665) | (2,005) |
| Compensated Absences | (44,072) | 8,066 | 5,774 | (30,232) |
| Deferred Inflows of Resources - IMRF | (26,957) | (287,304) | (133,746) | (448,007) |
| Deferred Inflows of Resources - OPEB | (46,562) | (9,733) | (6,780) | (63,075) |
| Net Pension Liability - IMRF | 138,223 | 629,008 | 356,535 | 1,123,766 |
| Net Other Postemployment Benefits Liability | (194,142) | 84,337 | 77,804 | (32,001) |
| NET CASH FROM OPERATING ACTIVITIES | <u>\$ (313,059)</u> | <u>\$ (263,046)</u> | <u>\$ 18,604</u> | <u>\$ (557,501)</u> |
| CASH AND INVESTMENTS | | | | |
| Cash and Cash Equivalents | \$ 16,856 | \$ 115,754 | \$ 261,547 | \$ 394,157 |
| Investments | 239,835 | 494,948 | 791,809 | 1,526,592 |
| TOTAL CASH AND INVESTMENTS | <u>\$ 256,691</u> | <u>\$ 610,702</u> | <u>\$ 1,053,356</u> | <u>\$ 1,920,749</u> |
| NONCASH TRANSACTIONS | | | | |
| Contributions | \$ - | \$ - | \$ - | \$ - |
| Unrealized Gain (Loss) on Investments | 1,030 | 2,724 | 1,821 | 5,575 |
| TOTAL NONCASH TRANSACTIONS | <u>\$ 1,030</u> | <u>\$ 2,724</u> | <u>\$ 1,821</u> | <u>\$ 5,575</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

MOTOR VEHICLE PARKING SYSTEM FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|---------------------|---------------------|------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Other Taxes | | | | | |
| Sales | \$ 300,000 | \$ 300,000 | \$ 310,750 | \$ 10,750 | \$ 99,394 |
| Charges for Services | | | | | |
| Fines | 434,800 | 434,800 | 308,303 | (126,497) | 353,750 |
| Fees | 291,000 | 291,000 | 384,725 | 93,725 | 365,879 |
| Commercial Space Rents | 24,500 | 24,500 | 36,881 | 12,381 | 40,566 |
| Investment Income | 3,000 | 3,000 | 6,207 | 3,207 | 9,409 |
| Total Revenues | 1,053,300 | 1,053,300 | 1,046,866 | (6,434) | 868,998 |
| EXPENDITURES | | | | | |
| Enforcement Division | | | | | |
| Personnel Services | - | - | 14,225 | 14,225 | - |
| Total Enforcement Division | - | - | 14,225 | 14,225 | - |
| Central Services Division | | | | | |
| Other Services and Charges | 50,000 | 50,000 | 31,713 | (18,287) | 28,946 |
| Total Central Services Division | 50,000 | 50,000 | 31,713 | (18,287) | 28,946 |
| Revenue and Collection Division | | | | | |
| Personnel Services | 351,408 | 351,408 | 211,648 | (139,760) | 337,978 |
| Materials and Supplies | 149,600 | 148,500 | 33,619 | (114,881) | 9,623 |
| Other Services and Charges | 201,258 | 201,258 | 143,757 | (57,501) | 136,294 |
| Total Revenue and Collection Division | 702,266 | 701,166 | 389,024 | (312,142) | 483,895 |
| Maintenance Division | | | | | |
| Personnel Services | 181,398 | 181,398 | 256,353 | 74,955 | 221,578 |
| Materials and Supplies | 87,100 | 96,800 | 77,274 | (19,526) | 64,386 |
| Other Services and Charges | 248,264 | 239,664 | 242,608 | 2,944 | 314,428 |
| Total Maintenance Division | 516,762 | 517,862 | 576,235 | 58,373 | 600,392 |
| Total Expenditures | 1,269,028 | 1,269,028 | 1,011,197 | (257,831) | 1,113,233 |
| NET INCOME (LOSS) - BUDGET BASIS | \$ (215,728) | \$ (215,728) | \$ 35,669 | \$ 251,397 | \$ (244,235) |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

TRANSPORTATION CENTER FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|---------------------|---------------------|---------------------|-----------------------------|------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | | | | | |
| Parking Fees | \$ 1,889,200 | \$ 1,889,200 | \$ 2,248,620 | \$ 359,420 | \$ 2,231,299 |
| Fines | 93,000 | 93,000 | 53,148 | (39,852) | 74,579 |
| Commercial Space Rents | 19,700 | 19,700 | 19,065 | (635) | 20,175 |
| Recovery of Cost | - | - | - | - | 137 |
| Investment Income | 2,000 | 2,000 | 17,028 | 15,028 | 14,061 |
| Gain on Sale of Assets | - | - | 33,194 | 33,194 | - |
| Total Revenues | 2,003,900 | 2,003,900 | 2,371,055 | 367,155 | 2,340,251 |
| EXPENDITURES | | | | | |
| Transportation Center - Route 25 | | | | | |
| Personnel Services | 739,838 | 739,838 | 770,552 | 30,714 | 766,776 |
| Materials and Supplies | 112,700 | 112,700 | 68,557 | (44,143) | 78,594 |
| Other Services and Charges | 459,938 | 459,938 | 434,188 | (25,750) | 320,086 |
| Total Transportation Center - Route 25 | 1,312,476 | 1,312,476 | 1,273,297 | (39,179) | 1,165,456 |
| Transportation Center - Route 59 | | | | | |
| Personnel Services | 394,695 | 394,695 | 402,241 | 7,546 | 426,059 |
| Materials and Supplies | 77,600 | 77,600 | 57,331 | (20,269) | 45,723 |
| Other Services and Charges | 879,678 | 879,678 | 842,095 | (37,583) | 694,809 |
| Capital Outlay | 172,000 | 172,000 | 91,311 | (80,689) | 107 |
| Total Transportation Center - Route 59 | 1,523,973 | 1,523,973 | 1,392,978 | (130,995) | 1,166,698 |
| Total Expenditures | 2,836,449 | 2,836,449 | 2,666,275 | (170,174) | 2,332,154 |
| NET INCOME (LOSS) - BUDGET BASIS | \$ (832,549) | \$ (832,549) | \$ (295,220) | \$ 537,329 | \$ 8,097 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

GOLF OPERATIONS FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|-----------------------|-----------------------|-----------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | | | | | |
| Fees | \$ 1,156,900 | \$ 1,156,900 | \$ 1,099,687 | \$ (57,213) | \$ 1,065,667 |
| Investment Income | - | - | 76,966 | 76,966 | 33,614 |
| Total Revenues | 1,156,900 | 1,156,900 | 1,176,653 | 19,753 | 1,099,281 |
| EXPENDITURES | | | | | |
| Phillips Park | | | | | |
| Personnel Services | 714,516 | 694,516 | 654,465 | (40,051) | 706,746 |
| Materials and Supplies | 301,850 | 294,850 | 272,039 | (22,811) | 287,681 |
| Other Services and Charges | 155,736 | 182,736 | 168,312 | (14,424) | 129,491 |
| Total Phillips Park | 1,172,102 | 1,172,102 | 1,094,816 | (77,286) | 1,123,918 |
| Fox Valley | | | | | |
| Materials and Supplies | - | - | - | - | 5,213 |
| Other Services and Charges | - | - | - | - | 13,155 |
| Loss on Sale of Capital Asset | - | - | - | - | 442,890 |
| Total Fox Valley | - | - | - | - | 461,258 |
| Debt Service | | | | | |
| Interest | 20,250 | 20,250 | 10,276 | (9,974) | 20,301 |
| Principal | 400,000 | 400,000 | 410,000 | 10,000 | 400,000 |
| Other Charges | 1,000 | 1,000 | - | (1,000) | 475 |
| Total Debt Service | 421,250 | 421,250 | 420,276 | (974) | 420,776 |
| Total Expenditures | 1,593,352 | 1,593,352 | 1,515,092 | (78,260) | 2,005,952 |
| INCOME (LOSS) BEFORE TRANSFERS | (436,452) | (436,452) | (338,439) | 98,013 | (906,671) |
| TRANSFERS | | | | | |
| Transfers In | - | - | - | - | 450,000 |
| Transfers (Out) | (2,400,000) | (4,700,000) | (4,410,000) | 290,000 | - |
| Total Transfers | (2,400,000) | (4,700,000) | (4,410,000) | 290,000 | 450,000 |
| SPECIAL ITEM | | | | | |
| Proceeds from Sale of Golf Course | - | - | - | - | 5,293,708 |
| NET INCOME (LOSS) - BUDGET BASIS | \$ (2,836,452) | \$ (5,136,452) | \$ (4,748,439) | \$ 388,013 | \$ 4,837,037 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

WATER AND SEWER FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|--------------------|-------------------|-------------------|-----------------------------|-------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | | | | | |
| Water Billings | \$ 35,810,000 | \$ 35,810,000 | \$ 35,794,845 | \$ (15,155) | \$ 35,012,619 |
| Permits and Fees | 426,000 | 426,000 | 360,132 | (65,868) | 515,534 |
| Recovery of Cost | 20,100 | 20,100 | 80,225 | 60,125 | 38,815 |
| Other Sales and Services | 268,800 | 268,800 | 296,569 | 27,769 | 287,987 |
| Investment Income | 437,100 | 437,100 | 504,579 | 67,479 | 394,659 |
| Proceeds from Sale of Capital Asset | 6,000,000 | 6,000,000 | 5,470,000 | (530,000) | - |
| Total Revenues | 42,962,000 | 42,962,000 | 42,506,350 | (455,650) | 36,249,614 |
| EXPENDITURES | | | | | |
| Management Information Systems | | | | | |
| Personnel Services | 129,049 | 129,049 | 91,705 | (37,344) | 85,528 |
| Total Management Information Systems | 129,049 | 129,049 | 91,705 | (37,344) | 85,528 |
| Meter Reading and Billing | | | | | |
| Personnel Services | 1,326,674 | 1,326,674 | 1,202,011 | (124,663) | 1,317,975 |
| Materials and Supplies | 98,800 | 101,100 | 52,780 | (48,320) | 55,970 |
| Other Services and Charges | 631,056 | 628,756 | 491,872 | (136,884) | 464,002 |
| Total Meter Reading and Billing | 2,056,530 | 2,056,530 | 1,746,663 | (309,867) | 1,837,947 |
| Water and Sewer Production | | | | | |
| Personnel Services | 4,460,262 | 4,460,262 | 4,280,768 | (179,494) | 4,422,941 |
| Materials and Supplies | 3,639,272 | 3,686,872 | 3,359,403 | (327,469) | 3,206,685 |
| Other Services and Charges | 5,287,697 | 5,264,097 | 3,906,916 | (1,357,181) | 4,195,201 |
| Capital Outlay | 7,293,900 | 7,269,900 | 2,965,040 | (4,304,860) | 2,669,725 |
| Total Water and Sewer Production | 20,681,131 | 20,681,131 | 14,512,127 | (6,169,004) | 14,494,552 |
| Meter Service and Maintenance | | | | | |
| Personnel Services | 388,470 | 388,470 | 322,177 | (66,293) | 431,938 |
| Materials and Supplies | 990,700 | 990,700 | 667,965 | (322,735) | 906,616 |
| Other Services and Charges | 41,400 | 41,400 | 16,146 | (25,254) | 36,151 |
| Total Meter Service and Maintenance | 1,420,570 | 1,420,570 | 1,006,288 | (414,282) | 1,374,705 |
| Water and Sewer Maintenance | | | | | |
| Personnel Services | 5,049,598 | 5,049,598 | 4,971,233 | (78,365) | 5,414,215 |
| Materials and Supplies | 984,300 | 989,300 | 814,034 | (175,266) | 972,977 |
| Other Services and Charges | 4,182,631 | 4,177,631 | 3,504,248 | (673,383) | 3,451,571 |
| Capital Outlay | 5,487,100 | 5,487,100 | 2,650,951 | (2,836,149) | 1,909,871 |
| Total Water and Sewer Maintenance | 15,703,629 | 15,703,629 | 11,940,466 | (3,763,163) | 11,748,634 |

(This schedule is continued on the following page.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (Continued)

WATER AND SEWER FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|--------------------|-----------------|--------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| EXPENDITURES (Continued) | | | | | |
| Debt Service | | | | | |
| Principal and Interest | \$ 2,775,400 | \$ 2,775,400 | \$ 2,751,305 | \$ (24,095) | \$ 2,740,930 |
| Total Expenditures | 42,766,309 | 42,766,309 | 32,048,554 | (10,717,755) | 32,282,296 |
| INCOME BEFORE TRANSFERS | 195,691 | 195,691 | 10,457,796 | 10,262,105 | 3,967,318 |
| TRANSFERS | | | | | |
| Transfers (Out) | (4,500,000) | (4,500,000) | (4,500,000) | - | - |
| Total Transfers | (4,500,000) | (4,500,000) | (4,500,000) | - | - |
| NET INCOME (LOSS) - BUDGET BASIS | \$ (4,304,309) | \$ (4,304,309) | \$ 5,957,796 | \$ 10,262,105 | \$ 3,967,318 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

AIRPORT FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|--------------------|-------------------|-------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Other Taxes | \$ 350,000 | \$ 350,000 | \$ 362,542 | \$ 12,542 | \$ 347,877 |
| Charges for Services | 803,560 | 803,560 | 863,013 | 59,453 | 756,475 |
| Intergovernmental | 1,831,600 | 1,831,600 | 29,048 | (1,802,552) | 172,715 |
| Investment Income | 1,000 | 1,000 | 30,195 | 29,195 | 14,854 |
| Total Revenues | 2,986,160 | 2,986,160 | 1,284,798 | (1,701,362) | 1,291,921 |
| EXPENDITURES | | | | | |
| Personnel Services | 257,759 | 257,759 | 399,173 | 141,414 | 473,035 |
| Materials and Supplies | 103,100 | 118,300 | 96,473 | (21,827) | 143,740 |
| Other Services and Charges | 520,000 | 518,200 | 549,449 | 31,249 | 552,063 |
| Capital Outlay | 1,417,700 | 1,404,300 | 37,514 | (1,366,786) | 556,871 |
| Total Expenditures | 2,298,559 | 2,298,559 | 1,082,609 | (1,215,950) | 1,725,709 |
| NET INCOME (LOSS) - BUDGET BASIS | \$ 687,601 | \$ 687,601 | \$ 202,189 | \$ (485,412) | \$ (433,788) |

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Property and Casualty Insurance Fund - to account for the City's property, general liability and workers' compensation insurance programs. The general liability and workers' compensation programs are essentially self-insured; however, commercial excess insurance is in place. Financing is provided through charges to the City's operating divisions and departments.

Employee Health Insurance Fund - to account for the City's employee health insurance program. The City offers two medical plans and a dental plan to its employees. Financing is provided through charges to the City's operating divisions and departments as well as employee contributions.

Employee Compensated Benefits Fund - to account for the City's accrued liabilities for severance, sick leave and vacation pay earned by employees whose compensation is paid through governmental funds. Financing is provided through charges to the City's operating divisions and departments.

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

December 31, 2019

| | Property and Casualty Insurance | Employee Health Insurance | Employee Compensated Benefits | Total |
|-------------------------------------|--|--|--|---------------------|
| CURRENT ASSETS | | | | |
| Cash and Investments | \$ 8,511,290 | \$ 4,019,963 | \$ 20,494,045 | \$ 33,025,298 |
| Receivables | | | | |
| Interest | 37,377 | - | 64,070 | 101,447 |
| Miscellaneous | - | 12,563 | - | 12,563 |
| Prepaid Items | - | - | - | - |
| Total Current Assets | 8,548,667 | 4,032,526 | 20,558,115 | 33,139,308 |
| CURRENT LIABILITIES | | | | |
| Accounts Payable | 206,225 | 81,095 | - | 287,320 |
| Retainage Payable | 5,000 | - | - | 5,000 |
| Accrued Payroll | 9,542 | - | 122,264 | 131,806 |
| Claims Payable | 4,981,238 | 611,945 | - | 5,593,183 |
| Compensated Absences | - | - | 1,008,916 | 1,008,916 |
| Total Current Liabilities | 5,202,005 | 693,040 | 1,131,180 | 7,026,225 |
| NONCURRENT LIABILITIES | | | | |
| Compensated Absences | - | - | 19,169,394 | 19,169,394 |
| Claims Payable | - | - | - | - |
| Total Noncurrent Liabilities | - | - | 19,169,394 | 19,169,394 |
| Total Liabilities | 5,202,005 | 693,040 | 20,300,574 | 26,195,619 |
| NET POSITION | | | | |
| Unrestricted | 3,346,662 | 3,339,486 | 257,541 | 6,943,689 |
| TOTAL NET POSITION | \$ 3,346,662 | \$ 3,339,486 | \$ 257,541 | \$ 6,943,689 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

| | Property and Casualty Insurance | Employee Health Insurance | Employee Compensated Benefits | Total |
|--|--|--|--|---------------------|
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 6,543,437 | \$ 18,820,362 | \$ 1,850,000 | \$ 27,213,799 |
| Total Operating Revenues | 6,543,437 | 18,820,362 | 1,850,000 | 27,213,799 |
| OPERATING EXPENSES | | | | |
| Other Services and Charges | 7,219,152 | 17,804,449 | 2,695,029 | 27,718,630 |
| Total Operating Expenses | 7,219,152 | 17,804,449 | 2,695,029 | 27,718,630 |
| OPERATING INCOME (LOSS) | (675,715) | 1,015,913 | (845,029) | (504,831) |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Investment Income | 236,104 | 57,420 | 511,771 | 805,295 |
| Total Non-Operating Revenues (Expenses) | 236,104 | 57,420 | 511,771 | 805,295 |
| CHANGE IN NET POSITION | (439,611) | 1,073,333 | (333,258) | 300,464 |
| NET POSITION, JANUARY 1 | 3,786,273 | 2,266,153 | 590,799 | 6,643,225 |
| NET POSITION, DECEMBER 31 | \$ 3,346,662 | \$ 3,339,486 | \$ 257,541 | \$ 6,943,689 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

| | Property and Casualty Insurance | Employee Health Insurance | Employee Compensated Benefits | Total |
|---|--|--|--|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from Customers and Users | \$ - | \$ 3,376,862 | \$ - | \$ 3,376,862 |
| Receipts from Interfund Service Transactions | 6,543,437 | 15,500,000 | 1,850,000 | 23,893,437 |
| Payments to Suppliers | (10,512,077) | (17,718,143) | - | (28,230,220) |
| Payments to Employees | - | - | (2,033,532) | (2,033,532) |
| Net Cash from Operating Activities | <u>(3,968,640)</u> | <u>1,158,719</u> | <u>(183,532)</u> | <u>(2,993,453)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| None | - | - | - | - |
| Net Cash from Noncapital Financing Activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| None | - | - | - | - |
| Net Cash from Capital and Related Financing Activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Proceeds from Sale and Maturities on Investment Securities | 3,200,000 | 2,129,000 | 5,500,000 | 10,829,000 |
| Purchase of Investment Securities | (2,641,481) | (1,755,112) | (5,927,593) | (10,324,186) |
| Interest on Investments | 202,735 | 51,461 | 401,930 | 656,126 |
| Net Cash from Investing Activities | <u>761,254</u> | <u>425,349</u> | <u>(25,663)</u> | <u>1,160,940</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | <u>(3,207,386)</u> | <u>1,584,068</u> | <u>(209,195)</u> | <u>(1,832,513)</u> |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | <u>5,647,158</u> | <u>598,133</u> | <u>8,566,385</u> | <u>14,811,676</u> |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | <u><u>\$ 2,439,772</u></u> | <u><u>\$ 2,182,201</u></u> | <u><u>\$ 8,357,190</u></u> | <u><u>\$ 12,979,163</u></u> |

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

| | <u>Property and Casualty Insurance</u> | <u>Employee Health Insurance</u> | <u>Employee Compensated Benefits</u> | <u>Total</u> |
|---|--|--|--|-----------------------|
| RECONCILIATION OF OPERATING (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating (Loss) | \$ (675,715) | \$ 1,015,913 | \$ (845,029) | \$ (504,831) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities | | | | |
| (Increase) Decrease in | | | | |
| Miscellaneous Receivables | - | 56,500 | - | 56,500 |
| Prepaid Items | 8,616 | - | - | 8,616 |
| Increase (Decrease) in | | | | |
| Accounts Payable | 68,417 | (5,206) | - | 63,211 |
| Accrued Payroll | (1,445) | - | 87,720 | 86,275 |
| Retainage Payable | 5,000 | - | - | 5,000 |
| Compensated Absences | - | - | 573,777 | 573,777 |
| Claims Payable | (3,373,513) | 91,512 | - | (3,282,001) |
| NET CASH FROM OPERATING ACTIVITIES | <u>\$ (3,968,640)</u> | <u>\$ 1,158,719</u> | <u>\$ (183,532)</u> | <u>\$ (2,993,453)</u> |
| CASH AND INVESTMENTS | | | | |
| Cash and Cash Equivalents | \$ 2,439,772 | \$ 2,182,201 | \$ 8,357,190 | \$ 12,979,163 |
| Investments | 6,071,518 | 1,837,762 | 12,136,855 | 20,046,135 |
| CASH AND INVESTMENTS | <u>\$ 8,511,290</u> | <u>\$ 4,019,963</u> | <u>\$ 20,494,045</u> | <u>\$ 33,025,298</u> |
| NONCASH TRANSACTIONS | | | | |
| Unrealized Gain on Investments | \$ 98,810 | \$ 15,336 | \$ 176,507 | \$ 290,653 |
| TOTAL NONCASH TRANSACTIONS | <u>\$ 98,810</u> | <u>\$ 15,336</u> | <u>\$ 176,507</u> | <u>\$ 290,653</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

PROPERTY AND CASUALTY INSURANCE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|---------------------|-----------------------------|---------------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | \$ 6,096,000 | \$ 6,096,000 | \$ 6,543,437 | \$ 447,437 | \$ 5,939,804 |
| Total Revenues | 6,096,000 | 6,096,000 | 6,543,437 | 447,437 | 5,939,804 |
| EXPENSES | | | | | |
| Other Services and Charges | 6,217,372 | 7,046,372 | 7,219,152 | 172,780 | 4,698,128 |
| Total Expenses | 6,217,372 | 7,046,372 | 7,219,152 | 172,780 | 4,698,128 |
| OPERATING INCOME (LOSS) | (121,372) | (950,372) | (675,715) | 274,657 | 1,241,676 |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | 40,000 | 40,000 | 236,104 | 196,104 | 155,547 |
| Total Non-Operating Revenues (Expenses) | 40,000 | 40,000 | 236,104 | 196,104 | 155,547 |
| INCOME (LOSS) BEFORE TRANSFERS | (81,372) | (910,372) | (439,611) | 470,761 | 1,397,223 |
| TRANSFERS | | | | | |
| Transfers In | - | - | - | - | 2,000,000 |
| Transfers (Out) | - | - | - | - | (750,000) |
| Total Transfers | - | - | - | - | 1,250,000 |
| CHANGE IN NET POSITION | \$ (81,372) | \$ (910,372) | (439,611) | \$ 470,761 | 2,647,223 |
| NET POSITION, JANUARY 1 | | | 3,786,273 | | 1,139,050 |
| NET POSITION, DECEMBER 31 | | | <u>\$ 3,346,662</u> | | <u>\$ 3,786,273</u> |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

EMPLOYEE HEALTH INSURANCE FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|---------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | \$ 18,846,245 | \$ 18,846,245 | \$ 18,820,362 | \$ (25,883) | \$ 19,870,578 |
| Total Revenues | 18,846,245 | 18,846,245 | 18,820,362 | (25,883) | 19,870,578 |
| EXPENSES | | | | | |
| Other Services and Charges | 18,828,463 | 18,828,463 | 17,804,449 | (1,024,014) | 18,102,910 |
| Total Expenses | 18,828,463 | 18,828,463 | 17,804,449 | (1,024,014) | 18,102,910 |
| OPERATING INCOME | 17,782 | 17,782 | 1,015,913 | 998,131 | 1,767,668 |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | 5,000 | 5,000 | 57,420 | 52,420 | 28,849 |
| Total Non-Operating Revenues (Expenses) | 5,000 | 5,000 | 57,420 | 52,420 | 28,849 |
| INCOME BEFORE TRANSFERS | 22,782 | 22,782 | 1,073,333 | 1,050,551 | 1,796,517 |
| TRANSFERS | | | | | |
| Transfers (Out) | - | - | - | - | (1,500,000) |
| Total Transfers | - | - | - | - | (1,500,000) |
| CHANGE IN NET POSITION | \$ 22,782 | \$ 22,782 | 1,073,333 | \$ 1,050,551 | 296,517 |
| NET POSITION, JANUARY 1 | | | 2,266,153 | | 1,969,636 |
| NET POSITION, DECEMBER 31 | | | \$ 3,339,486 | | \$ 2,266,153 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

EMPLOYEE COMPENSATED BENEFITS FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|--|--------------------|-----------------|--------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| REVENUES | | | | | |
| Charges for Services | \$ 1,850,000 | \$ 1,850,000 | \$ 1,850,000 | \$ - | \$ 997,596 |
| Total Revenues | 1,850,000 | 1,850,000 | 1,850,000 | - | 997,596 |
| EXPENSES | | | | | |
| Other Services and Charges | 2,000,000 | 2,695,100 | 2,695,029 | (71) | 3,001,772 |
| Total Expenses | 2,000,000 | 2,695,100 | 2,695,029 | (71) | 3,001,772 |
| OPERATING INCOME (LOSS) | (150,000) | (845,100) | (845,029) | 71 | (2,004,176) |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | 150,000 | 150,000 | 511,771 | 361,771 | 344,850 |
| Total Non-Operating Revenues (Expenses) | 150,000 | 150,000 | 511,771 | 361,771 | 344,850 |
| INCOME (LOSS) BEFORE TRANSFERS | - | (695,100) | (333,258) | 361,842 | (1,659,326) |
| TRANSFERS | | | | | |
| Transfers In | - | - | - | - | 1,750,000 |
| Total Transfers | - | - | - | - | 1,750,000 |
| CHANGE IN NET POSITION | \$ - | \$ (695,100) | (333,258) | \$ 361,842 | 90,674 |
| NET POSITION, JANUARY 1 | | | 590,799 | | 500,125 |
| NET POSITION, DECEMBER 31 | | | \$ 257,541 | | \$ 590,799 |

(See independent auditor's report.)

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Police Pension Fund - to account for the resources necessary to provide retirement and disability benefits to sworn personnel of the Aurora Police Department. Revenues are provided by city contributions (made possible primarily by a property tax levy), employee payroll withholdings and investment income.

Firefighters' Pension Fund - to account for the resources necessary to provide retirement and disability benefits to sworn personnel of the Aurora Fire Department. Revenues are provided by city contributions (made possible primarily by a property tax levy), employee payroll withholdings and investment income.

Retiree Health Insurance Trust Fund - to account for the City's retiree health insurance program. The City offers a medical plan and a dental plan to its eligible retirees. Financing is provided through charges to the City's operating divisions and departments, retiree contributions and investment income.

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF PLAN NET POSITION

PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS

December 31, 2019

| | Pension Trust | | Other | Total |
|--|-----------------------|--------------------------|--|-----------------------|
| | Police Pension | Firefighters' Pension | Postemployment | |
| | | | Benefit Retiree Health Insurance Trust | |
| ASSETS | | | | |
| Cash and Short-Term Investments | \$ 13,355,472 | \$ 7,606,393 | \$ 6,070,558 | \$ 27,032,423 |
| Investments, at Fair Value | | | | |
| Fixed Income Securities | 79,439,293 | 62,235,593 | 16,949,121 | 158,624,007 |
| Domestic Equity Securities | 80,982,620 | 63,244,749 | 20,842,424 | 165,069,793 |
| International Equity Securities | 42,957,796 | 33,506,257 | 3,688,707 | 80,152,760 |
| Real Estate Investment Trusts | 25,108,900 | 19,968,286 | 1,485,429 | 46,562,615 |
| Blended Mutual Funds | 9,897,572 | 7,971,178 | - | 17,868,750 |
| Receivables (Net, Where Applicable, of Allowances for Uncollectibles) | | | | |
| Accounts Receivable | - | 226 | - | 226 |
| Accrued Interest | 569,467 | 448,032 | 91,810 | 1,109,309 |
| Pension Service Credit | 43,632 | - | - | 43,632 |
| Prepaid Expenses | 6,040 | 6,040 | 4,027 | 16,107 |
| Total Assets | 252,360,792 | 194,986,754 | 49,132,076 | 496,479,622 |
| LIABILITIES | | | | |
| Accounts Payable | 53,402 | 42,811 | 7,117 | 103,330 |
| Deposits Payable | - | - | 86,092 | 86,092 |
| Benefits Payable | - | - | 503,738 | 503,738 |
| Total Liabilities | 53,402 | 42,811 | 596,947 | 693,160 |
| NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS | \$ 252,307,390 | \$ 194,943,943 | \$ 48,535,129 | \$ 495,786,462 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS

For the Year Ended December 31, 2019

| | Pension Trust | | Other Postemployment Benefit | Total |
|--|-------------------|--------------------------|------------------------------------|----------------|
| | Police Pension | Firefighters' Pension | Retiree Health Insurance Trust | |
| ADDITIONS | | | | |
| Contributions | | | | |
| Employer Contributions | \$ 15,422,862 | \$ 12,200,204 | \$ 6,413,190 | \$ 34,036,256 |
| Employee Contributions | 3,429,359 | 2,513,363 | - | 5,942,722 |
| Total Contributions | 18,852,221 | 14,713,567 | 6,413,190 | 39,978,978 |
| Investment Income | | | | |
| Net Appreciation in Fair Value of Investments | 31,373,922 | 24,593,385 | 6,066,171 | 62,033,478 |
| Interest | 5,137,251 | 3,970,761 | 824,120 | 9,932,132 |
| Total Investment Income | 36,511,173 | 28,564,146 | 6,890,291 | 71,965,610 |
| Less Investment Expense | (500,496) | (409,668) | (102,639) | (1,012,803) |
| Net Investment Income | 36,010,677 | 28,154,478 | 6,787,652 | 70,952,807 |
| Total Additions | 54,862,898 | 42,868,045 | 13,200,842 | 110,931,785 |
| DEDUCTIONS | | | | |
| Pension Benefits | 16,714,714 | 14,441,580 | - | 31,156,294 |
| Health Insurance Benefits | - | - | 8,484,219 | 8,484,219 |
| Less Retiree Contributions | - | - | (3,215,315) | (3,215,315) |
| Administrative Expenses | 62,087 | 43,924 | 19,534 | 125,545 |
| Total Deductions | 16,776,801 | 14,485,504 | 5,288,438 | 36,550,743 |
| NET INCREASE | 38,086,097 | 28,382,541 | 7,912,404 | 74,381,042 |
| NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS | | | | |
| January 1 | 214,221,293 | 166,561,402 | 40,622,725 | 421,405,420 |
| December 31 | \$ 252,307,390 | \$ 194,943,943 | \$ 48,535,129 | \$ 495,786,462 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL

POLICE PENSION FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|--------------------|-----------------|----------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| ADDITIONS | | | | | |
| Contributions | | | | | |
| Employer Contributions | \$ 15,351,200 | \$ 15,351,200 | \$ 15,422,862 | \$ 71,662 | \$ 14,593,748 |
| Employee Contributions | 3,100,000 | 3,100,000 | 3,429,359 | 329,359 | 3,415,938 |
| Total Contributions | 18,451,200 | 18,451,200 | 18,852,221 | 401,021 | 18,009,686 |
| Investment Income | | | | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | - | - | 31,373,922 | 31,373,922 | (11,385,954) |
| Interest | 12,000,000 | 12,000,000 | 5,137,251 | (6,862,749) | 4,538,795 |
| Total Investment Income | 12,000,000 | 12,000,000 | 36,511,173 | 24,511,173 | (6,847,159) |
| Less Investment Expense | (550,000) | (550,000) | (500,496) | 49,504 | (509,094) |
| Net Investment Income | 11,450,000 | 11,450,000 | 36,010,677 | 24,560,677 | (7,356,253) |
| Total Additions | 29,901,200 | 29,901,200 | 54,862,898 | 24,961,698 | 10,653,433 |
| DEDUCTIONS | | | | | |
| Pension Benefits | 16,805,000 | 16,805,000 | 16,714,714 | (90,286) | 15,853,359 |
| Administrative Expenses | 99,800 | 99,800 | 62,087 | (37,713) | 64,068 |
| Total Deductions | 16,904,800 | 16,904,800 | 16,776,801 | (127,999) | 15,917,427 |
| NET INCREASE (DECREASE) | \$ 12,996,400 | \$ 12,996,400 | 38,086,097 | \$ 25,089,697 | (5,263,994) |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | | | |
| January 1 | | | 214,221,293 | | 219,485,287 |
| December 31 | | | \$ 252,307,390 | | \$ 214,221,293 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL

FIREFIGHTERS' PENSION FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|--------------------|-----------------|----------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| ADDITIONS | | | | | |
| Contributions | | | | | |
| Employer Contributions | \$ 12,142,200 | \$ 12,142,200 | \$ 12,200,204 | \$ 58,004 | \$ 11,660,332 |
| Employee Contributions | 2,150,000 | 2,150,000 | 2,513,363 | 363,363 | 2,155,630 |
| Total Contributions | 14,292,200 | 14,292,200 | 14,713,567 | 421,367 | 13,815,962 |
| Investment Income | | | | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | - | - | 24,593,385 | 24,593,385 | (8,926,726) |
| Interest | 9,500,000 | 9,500,000 | 3,970,761 | (5,529,239) | 3,550,043 |
| Total Investment Income | 9,500,000 | 9,500,000 | 28,564,146 | 19,064,146 | (5,376,683) |
| Less Investment Expense | (450,000) | (450,000) | (409,668) | 40,332 | (421,307) |
| Net Investment Income | 9,050,000 | 9,050,000 | 28,154,478 | 19,104,478 | (5,797,990) |
| Total Additions | 23,342,200 | 23,342,200 | 42,868,045 | 19,525,845 | 8,017,972 |
| DEDUCTIONS | | | | | |
| Pension Benefits | 14,292,000 | 14,364,300 | 14,441,580 | 77,280 | 13,520,059 |
| Administrative Expenses | 80,900 | 80,900 | 43,924 | (36,976) | 90,747 |
| Total Deductions | 14,372,900 | 14,445,200 | 14,485,504 | 40,304 | 13,610,806 |
| NET INCREASE (DECREASE) | \$ 8,969,300 | \$ 8,897,000 | 28,382,541 | \$ 19,485,541 | (5,592,834) |
| NET POSITION RESTRICTED FOR PENSION BENEFITS | | | | | |
| January 1 | | | 166,561,402 | | 172,154,236 |
| December 31 | | | \$ 194,943,943 | | \$ 166,561,402 |

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL

RETIREE HEALTH INSURANCE TRUST FUND

For the Year Ended December 31, 2019
(With Comparative Actual for 2018)

| | 2019 | | | Variance Over (Under) | 2018 Actual |
|---|--------------------|-----------------|---------------|-----------------------------|----------------|
| | Original Budget | Final Budget | Actual | | |
| ADDITIONS | | | | | |
| Contributions | | | | | |
| Employer Contributions | \$ 6,413,190 | \$ 6,413,190 | \$ 6,413,190 | \$ - | \$ 5,971,018 |
| Total Contributions | 6,413,190 | 6,413,190 | 6,413,190 | - | 5,971,018 |
| Investment Income | | | | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | - | - | 6,066,171 | 6,066,171 | (1,188,611) |
| Interest | 1,000,000 | 1,000,000 | 824,120 | (175,880) | 683,714 |
| Total Investment Income | 1,000,000 | 1,000,000 | 6,890,291 | 5,890,291 | (504,897) |
| Less Investment Expense | (106,100) | (106,100) | (102,639) | 3,461 | (96,848) |
| Net Investment Income | 893,900 | 893,900 | 6,787,652 | 5,893,752 | (601,745) |
| Total Additions | 7,307,090 | 7,307,090 | 13,200,842 | 5,893,752 | 5,369,273 |
| DEDUCTIONS | | | | | |
| Health Insurance Benefits | 9,901,038 | 9,901,038 | 8,484,219 | (1,416,819) | 7,403,682 |
| Less Retiree Contributions | (3,566,073) | (3,566,073) | (3,215,315) | 350,758 | (2,982,317) |
| Administrative Expenses | 46,200 | 46,200 | 19,534 | (26,666) | 20,483 |
| Total Deductions | 6,381,165 | 6,381,165 | 5,288,438 | (1,092,727) | 4,441,848 |
| NET INCREASE | \$ 925,925 | \$ 925,925 | 7,912,404 | \$ 6,986,479 | 927,425 |
| NET POSITION RESTRICTED FOR OPEB BENEFITS | | | | | |
| January 1 | | | 40,622,725 | | 39,695,300 |
| December 31 | | | \$ 48,535,129 | | \$ 40,622,725 |

(See independent auditor's report.)

SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF AURORA, ILLINOIS

SCHEDULE OF INSURANCE COVERAGE AND OTHER INFORMATION

December 31, 2019

| Company | Policy/Contract Number | Expiration Date | Coverage | Deductible/ Self-Insured Retention | Liability Limits |
|--------------------------------------|-------------------------------|------------------------|---|---|-----------------------------|
| Chubb Group of Insurance Companies | 3527-61-84 | 12/31/2019 | Property | \$50,000 | \$306,001,536 |
| AIG Risk Cyber Liability | 039826205 | 12/31/2019 | Internet Liability | \$25,000 | \$10,000,000 |
| Hanover Insurance Company | IHCD46245806 | 12/31/2019 | Fine Arts/City Statutes | \$1,000 | \$981,850 |
| Safety National Casualty Corporation | SP4061953 | 12/31/2019 | Excess Worker's Compensation | \$1,000,000 | Statutory |
| Vantapro Specialty | 5155000600 | 12/31/2019 | Excess General Liability | \$2,000,000 | \$10,000,000 |
| HDI Global | IU35X0000100 | 12/31/2019 | Excess General Liability | \$12,000,000 | \$10,000,000 |
| Hallmark Specialty Insurance Company | 77PEF1900BD | 12/31/2019 | Excess General Liability | \$22,000,000 | \$5,000,000 |
| Great American Assuarance Company | EXC3237014 | 12/31/2019 | Excess General Liability | \$27,000,000 | \$10,000,000 |
| Global Aerospace | 11000279 | 11/1/2022 | Airport Liability | None | \$15,000,000 |
| | 9014917 | 12/31/2019 | Unmanned Aircraft | None | \$2,000,000 |
| | 031013889 | 4/30/2022 | Commercial Pollution Legal Liability | \$250,000 | \$10,000,000 |
| Lloyds | LIQ/225258 | 2/14/2020 | Golf Course Liquor Liability | N/A | \$1,000,000 |
| Cincinnati Specialty Underwriters | CSU0056746 | 4/4/2020 | Special Events Libilty | \$1,000 | \$1,000,000 |
| Travelers Caslty and Indemnity | 106434737 | 12/31/2019 | Crime Liability | \$20,000 | \$2,000,000 |
| Cigna | 3339410 | 12/31/2019 | Medical Stop-Loss | \$325,000 per individual | None |
| HMO Illinois | B56441 | 12/31/2019 | Health Maintenance Organization | N/A | None |
| Aetna | 467140 | 12/31/2019 | Medicare Advantage Plan | N/A | None |
| Cincinnati Insurance Company | 6763925 | 2/5/2020 | City Treasurer's Bond | None | \$2,000,000 |
| Third-Party Administrators: | | | | | |
| Broadspire | 78138000 | 12/31/2019 | Worker's Compensation Claims Administration | N/A | N/A |
| Broadspire | 77333600 | 12/31/2019 | General Liability Claims Administration | N/A | N/A |
| Cigna | 3339410 | 12/31/2019 | Medical Claims Administration | N/A | N/A |

N/A - Not Applicable

(See independent auditor's report.)

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Aurora, Illinois' 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.

| <u>Contents</u> | <u>Page(s)</u> |
|--|----------------|
| Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time. | 180-189 |
| Revenue Capacity These schedules contain information to help the readers assess the performance of property tax and sales tax revenues, two of the City's most significant revenue sources. | 190-198 |
| 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. | 199-203 |
| 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. | 204-205 |
| 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. | 206-208 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF AURORA, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Net Investment in Capital Assets | \$ 403,827,533 | \$ 400,801,028 | \$ 418,850,676 | \$ 432,100,779 |
| Restricted | 44,627,526 | 57,475,378 | 60,415,848 | 57,318,045 |
| Unrestricted | (24,627,343) | (31,885,608) | (43,572,795) | (42,710,953) |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 423,827,716 | \$ 426,390,798 | \$ 435,693,729 | \$ 446,707,871 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Net Investment in Capital Assets | \$ 158,416,912 | \$ 159,199,856 | \$ 160,897,280 | \$ 162,851,832 |
| Restricted | 3,493,569 | 3,220,687 | 3,184,371 | 3,300,203 |
| Unrestricted | 16,923,646 | 21,320,976 | 24,765,720 | 23,387,074 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 178,834,127 | \$ 183,741,519 | \$ 188,847,371 | \$ 189,539,109 |
| PRIMARY GOVERNMENT | | | | |
| Net Investment in Capital Assets | \$ 562,244,445 | \$ 560,000,884 | \$ 579,747,956 | \$ 594,952,611 |
| Restricted | 48,121,095 | 60,696,065 | 63,600,219 | 60,618,248 |
| Unrestricted | (7,703,697) | (10,564,632) | (18,807,075) | (19,323,879) |
| TOTAL PRIMARY GOVERNMENT | \$ 602,661,843 | \$ 610,132,317 | \$ 624,541,100 | \$ 636,246,980 |

*Beginning in 2014, the Airport Fund is accounted for in an Enterprise Fund.

**The City implemented GASB Statement No. 68 in 2015.

***The City implemented GASB Statement No. 75 in 2016.

Data Source

Audited Financial Statements

| 2014* | 2015** | 2016*** | 2017 | 2018 | 2019 |
|-----------------------|-----------------------|------------------------|------------------------|-----------------------|------------------------|
| \$ 397,680,473 | \$ 403,321,914 | \$ 407,653,041 | \$ 399,174,599 | \$ 401,626,704 | \$ 420,731,808 |
| 56,299,322 | 54,444,574 | 51,237,607 | 49,050,889 | 46,652,700 | 46,097,346 |
| (53,656,368) | (407,644,624) | (543,119,166) | (530,292,478) | (448,615,807) | (507,878,769) |
| <u>\$ 400,323,427</u> | <u>\$ 50,121,864</u> | <u>\$ (84,228,518)</u> | <u>\$ (82,066,990)</u> | <u>\$ (336,403)</u> | <u>\$ (41,049,615)</u> |
| \$ 205,419,092 | \$ 214,001,819 | \$ 220,999,533 | \$ 227,313,783 | \$ 226,037,151 | \$ 229,441,733 |
| 4,361,135 | 4,395,905 | 4,342,503 | 4,300,766 | 5,094,880 | 4,039,458 |
| 17,106,722 | 6,523,481 | (19,197,965) | (15,894,069) | (408,882) | 688,858 |
| <u>\$ 226,886,949</u> | <u>\$ 224,921,205</u> | <u>\$ 206,144,071</u> | <u>\$ 215,720,480</u> | <u>\$ 230,723,149</u> | <u>\$ 234,170,049</u> |
| \$ 603,099,565 | \$ 617,323,733 | \$ 628,652,574 | \$ 626,488,382 | \$ 627,663,855 | \$ 650,173,541 |
| 60,660,457 | 58,840,479 | 55,580,110 | 53,351,655 | 51,747,580 | 50,136,804 |
| (36,549,646) | (401,121,143) | (562,317,131) | (546,186,547) | (449,024,689) | (507,189,911) |
| <u>\$ 627,210,376</u> | <u>\$ 275,043,069</u> | <u>\$ 121,915,553</u> | <u>\$ 133,653,490</u> | <u>\$ 230,386,746</u> | <u>\$ 193,120,434</u> |

CITY OF AURORA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011 | 2012 | 2013 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| EXPENSES | | | | |
| Governmental Activities | | | | |
| General Government | \$ 21,123,216 | \$ 20,510,561 | \$ 20,588,032 | \$ 17,779,539 |
| Public Safety | 110,218,850 | 108,555,389 | 112,902,507 | 117,562,548 |
| Streets and Transportation | 30,275,204 | 28,208,054 | 29,621,587 | 32,098,007 |
| Health and Welfare | 11,499,524 | 12,712,638 | 12,825,038 | 11,163,548 |
| Culture and Recreation | 6,173,800 | 5,790,323 | 5,589,522 | 6,667,817 |
| Economic Development | 11,858,643 | 12,854,342 | 14,673,809 | 9,321,544 |
| Interest | 9,355,114 | 8,940,572 | 8,250,302 | 7,674,763 |
| Total Governmental Activities Expenses | <u>200,504,351</u> | <u>197,571,879</u> | <u>204,450,797</u> | <u>202,267,766</u> |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Water and Sewer | 30,386,150 | 25,715,582 | 27,923,402 | 29,229,635 |
| Airport | - | - | - | - |
| Downtown Parking | 1,522,662 | 1,386,368 | 1,427,840 | 1,559,715 |
| Commuter Parking | 1,946,223 | 2,168,700 | 1,934,761 | 2,416,040 |
| Golf Operations | 2,323,672 | 2,038,860 | 2,222,436 | 1,959,642 |
| Total Business-Type Activities Expenses | <u>36,178,707</u> | <u>31,309,510</u> | <u>33,508,439</u> | <u>35,165,032</u> |
| TOTAL PRIMARY GOVERNMENT EXPENSES | <u>\$ 236,683,058</u> | <u>\$ 228,881,389</u> | <u>\$ 237,959,236</u> | <u>\$ 237,432,798</u> |
| PROGRAM REVENUES | | | | |
| Governmental Activities | | | | |
| Charges for Services | | | | |
| General Government | \$ 4,450,187 | \$ 4,151,453 | \$ 4,510,988 | \$ 4,969,924 |
| Public Safety | 7,084,591 | 5,420,708 | 6,352,306 | 5,767,649 |
| Streets and Transportation | 1,545,250 | 1,501,823 | 581,212 | 1,521,201 |
| Health and Welfare | 7,813,819 | 8,184,103 | 9,233,448 | 10,604,976 |
| Culture and Recreations | 224,095 | 55,649 | 70,773 | 289,587 |
| Economic Development | - | 32,800 | - | 67,778 |
| Operating Grants and Contributions | 17,819,932 | 11,433,555 | 11,445,052 | 8,931,304 |
| Capital Grants and Contributions | 20,966,577 | 9,492,188 | 20,308,026 | 6,164,015 |
| Total Governmental Activities Program Revenues | <u>59,904,451</u> | <u>40,272,279</u> | <u>52,501,805</u> | <u>38,316,434</u> |
| Business-Type Activities | | | | |
| Charges for Services | | | | |
| Water and Sewer | 27,138,306 | 27,110,225 | 30,113,165 | 29,421,826 |
| Airport | - | - | - | - |
| Downtown Parking | 981,493 | 871,841 | 807,228 | 704,014 |
| Commuter Parking | 2,077,473 | 2,066,686 | 2,024,724 | 2,025,025 |
| Golf Operations | 1,899,338 | 1,719,595 | 1,820,546 | 1,798,129 |
| Operating Grants and Contributions | - | - | - | - |
| Capital Grants and Contributions | 15,060,750 | 4,468,842 | 4,173,659 | 1,820,135 |
| Total Business-Type Activities Program Revenues | <u>47,157,360</u> | <u>36,237,189</u> | <u>38,939,322</u> | <u>35,769,129</u> |
| TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES | <u>\$ 107,061,811</u> | <u>\$ 76,509,468</u> | <u>\$ 91,441,127</u> | <u>\$ 74,085,563</u> |
| NET (EXPENSE) REVENUE | | | | |
| Governmental Activities | \$ (140,599,900) | \$ (157,299,600) | \$ (151,948,992) | \$ (163,951,332) |
| Business-Type Activities | 10,978,653 | 4,927,679 | 5,430,883 | 604,097 |
| TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE | <u>\$ (129,621,247)</u> | <u>\$ (152,371,921)</u> | <u>\$ (146,518,109)</u> | <u>\$ (163,347,235)</u> |

| 2014* | 2015** | 2016*** | 2017 | 2018 | 2019 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 21,893,478 | \$ 23,186,372 | \$ 30,347,523 | \$ 17,737,787 | \$ 18,718,491 | \$ 16,840,516 |
| 121,507,980 | 143,584,098 | 163,293,002 | 131,499,906 | 70,316,127 | 180,505,073 |
| 33,709,791 | 30,913,021 | 23,423,486 | 28,331,470 | 21,991,553 | 35,912,378 |
| 10,879,629 | 11,376,491 | 14,252,881 | 14,626,569 | 8,653,775 | 13,954,580 |
| 6,963,595 | 6,870,093 | 8,052,677 | 4,831,144 | 6,810,003 | 7,375,961 |
| 5,931,240 | 7,230,835 | 5,880,557 | 4,316,169 | 11,377,518 | 29,371,635 |
| 6,802,956 | 8,130,590 | 4,736,870 | 4,787,749 | 4,861,905 | 4,698,325 |
| 207,688,669 | 231,291,500 | 249,986,996 | 206,130,794 | 142,729,372 | 288,658,468 |
| 32,475,416 | 30,934,529 | 33,090,467 | 28,392,800 | 26,125,647 | 31,140,904 |
| 2,434,443 | 2,475,000 | 2,306,605 | 2,269,889 | 3,069,507 | 2,264,462 |
| 1,412,253 | 1,509,333 | 1,710,443 | 1,287,648 | 920,397 | 1,382,399 |
| 2,479,959 | 2,315,249 | 2,798,933 | 2,201,472 | 2,113,813 | 2,822,761 |
| 1,946,967 | 1,890,578 | 1,673,551 | 1,009,680 | 1,017,515 | 1,452,773 |
| 40,749,038 | 39,124,689 | 41,579,999 | 35,161,489 | 33,246,879 | 39,063,299 |
| \$ 248,437,707 | \$ 270,416,189 | \$ 291,566,995 | \$ 241,292,283 | \$ 175,976,251 | \$ 327,721,767 |
| \$ 3,900,227 | \$ 3,897,599 | \$ 4,105,726 | \$ 3,606,185 | \$ 3,594,384 | \$ 3,713,348 |
| 6,432,703 | 6,784,891 | 7,945,596 | 8,306,074 | 8,459,057 | 9,914,171 |
| 829,730 | 1,149,390 | 896,360 | 717,274 | 918,899 | 896,210 |
| 11,850,549 | 13,649,579 | 13,646,374 | 12,897,740 | 12,899,904 | 14,085,828 |
| 272,395 | 333,638 | 411,617 | 399,661 | 336,757 | 212,262 |
| 315,434 | 7,263 | 10,695 | 7,758 | 1,689 | 21,137 |
| 9,709,903 | 7,088,313 | 9,343,676 | 6,944,871 | 9,879,382 | 10,506,504 |
| 4,385,529 | 3,761,983 | 2,010,873 | 2,574,778 | 1,997,728 | 1,829,538 |
| 37,696,470 | 36,672,656 | 38,370,917 | 35,454,341 | 38,087,800 | 41,178,998 |
| 30,241,878 | 31,478,260 | 32,824,053 | 34,016,302 | 35,816,140 | 36,451,546 |
| 834,746 | 769,187 | 702,774 | 633,227 | 756,475 | 863,013 |
| 874,708 | 871,969 | 819,110 | 665,063 | 760,195 | 729,909 |
| 2,241,649 | 2,230,958 | 2,208,216 | 2,420,710 | 2,326,053 | 2,320,833 |
| 1,624,876 | 1,617,708 | 1,140,633 | 1,123,125 | 1,065,667 | 1,099,687 |
| 87,692 | 84,388 | 195,249 | 50,693 | 172,715 | 29,048 |
| 1,518,717 | 649,174 | 283,425 | 102,618 | 695,502 | 3,034,477 |
| 37,424,266 | 37,701,644 | 38,173,460 | 39,011,738 | 41,592,747 | 44,528,513 |
| \$ 75,120,736 | \$ 74,374,300 | \$ 76,544,377 | \$ 74,466,079 | \$ 79,680,547 | \$ 85,707,511 |
| \$ (169,992,199) | \$ (194,618,844) | \$ (211,616,079) | \$ (170,676,453) | \$ (104,641,572) | \$ (247,479,470) |
| (3,324,772) | (1,423,045) | (3,406,539) | 3,850,249 | 8,345,868 | 5,465,214 |
| \$ (173,316,971) | \$ (196,041,889) | \$ (215,022,618) | \$ (166,826,204) | \$ (96,295,704) | \$ (242,014,256) |

CITY OF AURORA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011 | 2012 | 2013 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | |
| Governmental Activities | | | | |
| Taxes | | | | |
| Property | \$ 85,791,335 | \$ 82,425,418 | \$ 79,226,198 | \$ 82,621,758 |
| Sales | 38,657,829 | 40,911,661 | 41,957,531 | 45,082,386 |
| Utility | 10,125,801 | 10,231,247 | 10,163,505 | 9,971,372 |
| Income | 12,960,748 | 14,334,299 | 17,388,869 | 18,855,886 |
| Real Estate Transfer | 1,352,542 | 1,396,683 | 1,921,008 | 2,099,460 |
| Food and Beverage | 3,554,765 | 3,728,894 | 4,002,735 | 4,088,119 |
| Gaming | 10,624,299 | 10,241,111 | 9,044,541 | 8,446,142 |
| Hotel/Motel | 393,253 | 436,624 | 463,512 | 468,229 |
| Other | 913,533 | 905,063 | 1,019,382 | 929,250 |
| Investment Income | 294,340 | 405,583 | 197,271 | 214,515 |
| Miscellaneous | 1,160,863 | 1,003,328 | 1,306,832 | 1,538,357 |
| Special Item | - | (6,957,229) | (4,973,299) | - |
| Transfers | 550,000 | 800,000 | 725,000 | 650,000 |
| Total Governmental Activities | 166,379,308 | 159,862,682 | 162,443,085 | 174,965,474 |
| Business-Type Activities | | | | |
| Sales | 350,000 | 369,103 | 444,665 | 395,564 |
| Investment Income | 284,011 | 385,939 | 316,187 | 335,770 |
| Miscellaneous | 16,749 | 24,680 | 9,629 | 6,307 |
| Special Item | - | - | - | - |
| Transfers | (550,000) | (800,000) | (725,000) | (650,000) |
| Total Business-Type Activities | 100,760 | (20,278) | 45,481 | 87,641 |
| TOTAL PRIMARY GOVERNMENT | \$ 166,480,068 | \$ 159,842,404 | \$ 162,488,566 | \$ 175,053,115 |
| CHANGE IN NET POSITION | | | | |
| Governmental Activities | \$ 25,779,408 | \$ 2,563,082 | \$ 10,494,093 | \$ 11,014,142 |
| Business-Type Activities | 11,079,413 | 4,907,401 | 5,476,364 | 691,738 |
| TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION | \$ 36,858,821 | \$ 7,470,483 | \$ 15,970,457 | \$ 11,705,880 |

*Beginning in 2014, the Airport Fund is accounted for in an Enterprise Fund.

**The City implemented GASB Statement No 68 in 2015.

***The City implemented GASB Statement No 75 in 2016.

Data Source

Audited Financial Statements

| 2014* | 2015** | 2016*** | 2017 | 2018 | 2019 |
|-----------------|-----------------|-----------------|----------------|----------------|-----------------|
| \$ 73,083,389 | \$ 76,732,296 | \$ 77,571,783 | \$ 82,218,221 | \$ 85,304,883 | \$ 87,706,136 |
| 44,761,546 | 44,975,558 | 47,654,497 | 46,094,186 | 46,685,525 | 50,049,603 |
| 9,964,564 | 10,450,537 | 10,045,361 | 10,302,895 | 13,374,124 | 13,800,971 |
| 18,947,605 | 21,057,086 | 19,264,287 | 18,176,859 | 18,952,010 | 21,064,181 |
| 2,032,012 | 2,414,294 | 3,144,487 | 2,891,464 | 3,104,624 | 2,934,406 |
| 4,157,669 | 4,610,988 | 4,806,070 | 4,739,599 | 4,979,496 | 5,175,977 |
| 7,697,121 | 7,429,116 | 7,438,631 | 7,382,230 | 7,290,134 | 7,180,274 |
| 504,670 | 531,391 | 569,604 | 541,994 | 541,092 | 496,223 |
| 973,241 | 1,068,073 | 2,856,724 | 3,013,646 | 3,072,687 | 3,101,322 |
| 172,504 | 337,939 | 564,824 | 1,007,063 | 2,135,884 | 2,482,088 |
| 1,213,372 | 1,455,786 | 1,281,160 | 1,546,656 | 1,381,700 | 3,865,077 |
| - | - | - | - | - | - |
| (39,899,938) | (4,176,392) | (2,765,373) | (5,076,832) | (450,000) | 8,910,000 |
| 123,607,755 | 166,886,672 | 172,432,055 | 172,837,981 | 186,372,159 | 206,766,258 |
| 391,499 | 659,995 | 431,855 | 277,925 | 447,271 | 673,292 |
| 359,242 | 363,021 | 287,838 | 315,792 | 466,597 | 634,975 |
| 21,933 | 21,727 | 14,641 | 55,611 | (775) | 5,583,419 |
| - | - | - | - | 5,293,708 | - |
| 39,899,938 | 4,176,392 | 2,765,373 | 5,076,832 | 450,000 | (8,910,000) |
| 40,672,612 | 5,221,135 | 3,499,707 | 5,726,160 | 6,656,801 | (2,018,314) |
| \$ 164,280,367 | \$ 172,107,807 | \$ 175,931,762 | \$ 178,564,141 | \$ 193,028,960 | \$ 204,747,944 |
| \$ (46,384,444) | \$ (27,732,172) | \$ (39,184,024) | \$ 2,161,528 | \$ 81,730,587 | \$ (40,713,212) |
| 37,347,840 | 3,798,090 | 93,168 | 9,576,409 | 15,002,669 | 3,446,900 |
| \$ (9,036,604) | \$ (23,934,082) | \$ (39,090,856) | \$ 11,737,937 | \$ 96,733,256 | \$ (37,266,312) |

CITY OF AURORA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011* | 2012 | 2013 |
|---|----------------------|----------------------|----------------------|----------------------|
| GENERAL FUND | | | | |
| Reserved | \$ - | \$ - | \$ - | \$ - |
| Unreserved | 19,913,245 | - | - | - |
| Nonspendable | - | - | - | - |
| Assigned | - | 1,260,361 | - | - |
| Unassigned | - | 19,723,887 | 21,212,281 | 22,456,211 |
| TOTAL GENERAL FUND | \$ 19,913,245 | \$ 20,984,248 | \$ 21,212,281 | \$ 22,456,211 |
| ALL OTHER GOVERNMENTAL FUNDS | | | | |
| Reserved | \$ 48,837,828 | \$ - | \$ - | \$ - |
| Unreserved, Designated | 1,300,000 | - | - | - |
| Unreserved, Undesignated, Reported in | | | | |
| Special Revenue Funds | 8,743,728 | - | - | - |
| Capital Project Funds | 33,234,868 | - | - | - |
| Nonspendable | - | 2,000,500 | 15,695 | 408,713 |
| Restricted | - | 60,770,045 | 63,742,737 | 59,936,109 |
| Assigned | - | 33,775,570 | 34,757,696 | 30,269,416 |
| Unassigned | - | - | (3,214,051) | (2,975) |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | \$ 92,116,424 | \$ 96,546,115 | \$ 95,302,077 | \$ 90,611,263 |

*The City implemented GASB Statement No 54 for the fiscal year ended December 31, 2011.

Data Source

Audited Financial Statements

| 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | 276,689 | 10,970 | 17,713 | 15,432 | 27,727 |
| - | 249,425 | 3,777,523 | 781,563 | 729,974 | 1,051,197 |
| 22,847,083 | 22,377,462 | 17,747,579 | 23,137,613 | 23,785,309 | 32,584,772 |
| <u>\$ 22,847,083</u> | <u>\$ 22,903,576</u> | <u>\$ 21,536,072</u> | <u>\$ 23,936,889</u> | <u>\$ 24,530,715</u> | <u>\$ 33,663,696</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 2,100 | 1,400 | 1,125 | 1,700 | - | 1,450 |
| 56,299,322 | 53,914,824 | 50,907,857 | 60,861,880 | 54,601,048 | 51,873,060 |
| 28,095,518 | 14,506,193 | 16,401,691 | 21,062,538 | 21,078,127 | 16,264,274 |
| (137,680) | (112,198) | (86,856) | (21,140) | (14,269) | (2,168,141) |
| <u>\$ 84,259,260</u> | <u>\$ 68,310,219</u> | <u>\$ 67,223,817</u> | <u>\$ 81,904,978</u> | <u>\$ 75,664,906</u> | <u>\$ 65,970,643</u> |

CITY OF AURORA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011 | 2012 | 2013 |
|--|-----------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Taxes | \$ 165,012,636 | \$ 165,292,674 | \$ 165,598,242 | \$ 172,981,081 |
| Intergovernmental | 14,148,838 | 19,565,678 | 22,965,776 | 12,084,115 |
| Licenses, Fees and Permits | 5,726,038 | 5,857,587 | 7,024,561 | 7,613,017 |
| Charges for Services | 10,279,022 | 10,249,588 | 12,072,241 | 12,317,430 |
| Fines and Forfeitures | 2,684,866 | 2,108,039 | 2,535,273 | 2,361,090 |
| Donations | - | - | 37,000 | - |
| Development Participation | 1,081,870 | 1,103,520 | 95 | - |
| Investment Income | 294,340 | 405,583 | 197,271 | 214,515 |
| Other | 9,896,717 | 1,403,515 | 512,573 | 689,374 |
| Total Revenues | 209,124,327 | 205,986,184 | 210,943,032 | 208,260,622 |
| EXPENDITURES | | | | |
| General Government | 18,444,801 | 17,365,565 | 17,517,640 | 17,605,251 |
| Public Safety | 105,741,979 | 99,632,098 | 103,519,376 | 109,202,021 |
| Streets and Transportation | 21,522,421 | 18,716,990 | 17,657,957 | 19,896,216 |
| Health and Welfare | 12,721,781 | 11,964,561 | 11,591,967 | 10,998,437 |
| Culture and Recreation | 6,395,066 | 5,212,305 | 5,689,181 | 6,098,355 |
| Economic Development | 7,578,841 | 10,473,647 | 14,642,624 | 11,973,139 |
| Capital Outlay | 25,573,227 | 15,560,385 | 24,522,214 | 13,989,906 |
| Debt Service | | | | |
| Principal | 13,739,745 | 13,578,182 | 26,321,707 | 15,950,322 |
| Interest | 9,631,417 | 8,850,427 | 8,608,563 | 8,054,990 |
| Total Expenditures | 221,349,278 | 201,354,160 | 230,071,229 | 213,768,637 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (12,224,951) | 4,632,024 | (19,128,197) | (5,508,015) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 16,312,309 | 13,479,000 | 28,766,400 | 11,914,900 |
| Transfers (Out) | (15,762,309) | (12,679,000) | (28,041,400) | (11,264,900) |
| Illinois EPA Loan Issued | - | - | - | - |
| Refunding Bonds Issued | - | 6,320,000 | 13,165,000 | 9,565,000 |
| Premium on Refunding Bonds | - | 388,670 | 466,855 | 283,694 |
| Payment to Escrow Agent | - | - | - | (9,684,828) |
| Notes Refunded | - | - | - | - |
| Issuance of Debt Certificate | - | - | - | - |
| Bonds Issued | - | - | - | - |
| Premium on Bonds Issued | - | - | - | - |
| Discount on Bonds Issued | - | - | - | - |
| Notes Issued | 4,859,000 | (6,640,000) | - | - |
| Discount on Notes Issued | - | - | - | - |
| Sale of Capital Assets | - | - | 2,978,132 | 1,247,265 |
| Total Other Financing Sources (Uses) | 5,409,000 | 868,670 | 17,334,987 | 2,061,131 |
| NET CHANGE IN FUND BALANCES | \$ (6,815,951) | \$ 5,500,694 | \$ (1,793,210) | \$ (3,446,884) |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 11.55% | 11.60% | 16.51% | 12.00% |

Data Source

Audited Financial Statements

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|----|-------------|-----------------|----------------|----------------|----------------|----------------|
| \$ | 162,689,033 | \$ 170,840,800 | \$ 174,846,029 | \$ 176,364,849 | \$ 183,954,211 | \$ 192,264,828 |
| | 12,366,173 | 8,722,836 | 11,601,312 | 8,868,943 | 11,578,302 | 11,484,108 |
| | 8,298,108 | 9,695,172 | 8,937,807 | 8,274,424 | 7,949,924 | 9,189,892 |
| | 12,972,414 | 13,207,143 | 13,908,713 | 14,166,202 | 14,662,777 | 17,629,631 |
| | 2,421,422 | 2,506,580 | 3,553,477 | 3,761,510 | 3,815,826 | 4,515,397 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | 172,504 | 337,939 | 564,824 | 1,007,063 | 2,135,884 | 2,482,088 |
| | 742,203 | 449,064 | 356,183 | 459,410 | 691,432 | 731,753 |
| | 199,661,857 | 205,759,534 | 213,768,345 | 212,902,401 | 224,788,356 | 238,297,697 |
| | 21,264,291 | 22,632,332 | 22,723,428 | 22,110,983 | 26,526,866 | 25,220,983 |
| | 111,385,992 | 120,213,601 | 125,190,522 | 125,092,178 | 129,081,217 | 134,997,089 |
| | 20,754,796 | 20,598,924 | 21,768,752 | 18,820,849 | 21,266,345 | 22,751,726 |
| | 11,946,768 | 10,875,334 | 11,244,611 | 13,636,993 | 11,769,446 | 10,522,780 |
| | 5,492,609 | 5,473,917 | 6,574,448 | 4,910,540 | 5,287,061 | 6,533,152 |
| | 6,063,941 | 7,374,268 | 6,273,883 | 6,983,964 | 11,122,909 | 27,227,269 |
| | 11,547,081 | 16,986,317 | 10,837,011 | 12,283,673 | 9,513,649 | 14,593,794 |
| | 10,799,030 | 11,032,831 | 8,666,730 | 8,785,729 | 9,104,309 | 8,697,165 |
| | 7,205,915 | 9,026,002 | 5,445,512 | 4,897,045 | 4,942,291 | 4,724,260 |
| | 206,460,423 | 224,213,526 | 218,724,897 | 217,521,954 | 228,614,093 | 255,268,218 |
| | (6,798,566) | (18,453,992) | (4,956,552) | (4,619,553) | (3,825,737) | (16,970,521) |
| | 10,579,400 | 10,967,700 | 12,510,600 | 5,596,600 | 8,445,600 | 16,836,800 |
| | (9,953,791) | (11,042,700) | (12,435,600) | (7,696,600) | (10,395,600) | (7,926,800) |
| | - | - | 2,427,646 | 4,043,507 | 324,491 | - |
| | 9,150,000 | 75,875,000 | - | - | - | - |
| | 140,871 | 801,169 | - | - | - | - |
| | (9,079,045) | (74,039,725) | - | - | - | (8,243,111) |
| | - | - | - | - | - | - |
| | - | - | - | 3,000,000 | 7,430,000 | - |
| | - | - | - | 16,500,000 | (7,625,000) | 7,645,000 |
| | - | - | - | 258,024 | - | 601,942 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | 837,435 | 2,561,444 | 2,502,646 | 21,701,531 | (1,820,509) | 8,913,831 |
| \$ | (5,961,131) | \$ (15,892,548) | \$ (2,453,906) | \$ 17,081,978 | \$ (5,646,246) | \$ (8,056,690) |
| | 9.02% | 9.02% | 6.95% | 6.67% | 6.56% | 5.85% |

CITY OF AURORA, ILLINOIS

PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS

Last Ten Tax Levy Years

| Tax Levy Year | 2009 | | 2010 | | 2011 | | 2012 | | 2013 | |
|---------------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|
| ASSESSED VALUATION | | | | | | | | | | |
| Kane County Portion | | \$ 1,959,260,286 | | \$ 1,809,362,652 | | \$ 1,625,951,658 | | \$ 1,416,825,772 | | \$ 1,350,468,842 |
| DuPage County Portion | | 1,808,716,577 | | 1,728,074,480 | | 1,606,824,629 | | 1,495,257,879 | | 1,416,350,221 |
| Kendall County Portion | | 130,434,946 | | 120,944,577 | | 112,030,593 | | 100,884,689 | | 95,066,680 |
| Will County Portion | | <u>288,656,587</u> | | <u>280,760,031</u> | | <u>253,727,625</u> | | <u>238,531,534</u> | | <u>206,853,323</u> |
| TOTAL ASSESSED VALUATION | | <u>\$ 4,187,068,396</u> | | <u>\$ 3,939,141,740</u> | | <u>\$ 3,598,534,505</u> | | <u>\$ 3,251,499,874</u> | | <u>\$ 3,068,739,066</u> |
| | Rate* | Amount | Rate* | Amount | Rate* | Amount | Rate* | Amount | Rate* | Amount |
| TAX EXTENSIONS | | | | | | | | | | |
| General Fund | 1.1430 | \$ 47,856,152 | 1.0725 | \$ 42,247,295 | 1.1612 | \$ 41,786,226 | 1.2906 | \$ 41,962,956 | 1.3388 | \$ 41,083,245 |
| IMRF | - | - | 0.0692 | 2,725,128 | 0.0760 | 2,733,834 | 0.1019 | 3,312,890 | 0.1076 | 3,301,547 |
| Debt Service Fund | 0.0964 | 4,036,167 | 0.1025 | 4,036,776 | 0.1122 | 4,036,582 | 0.2654 | 8,629,359 | 0.1315 | 4,036,275 |
| Police Pension Fund | 0.2282 | 9,553,275 | 0.2590 | 10,200,475 | 0.2240 | 8,062,193 | 0.2253 | 7,325,313 | 0.3205 | 9,834,908 |
| Firefighters' Pension Fund | 0.1889 | 7,908,878 | 0.2127 | 8,377,739 | 0.1984 | 7,139,746 | 0.1247 | 4,053,211 | 0.2512 | 7,708,176 |
| City Levy | 1.6565 | 69,354,472 | 1.7159 | 67,587,413 | 1.7718 | 63,758,581 | 2.0079 | 65,283,729 | 2.1496 | 65,964,151 |
| Library General Fund | 0.2450 | 10,258,239 | 0.2450 | 9,650,897 | 0.2446 | 8,800,678 | 0.2450 | 7,966,175 | 0.2450 | 7,518,411 |
| Library Debt Service Fund | 0.0092 | 386,973 | 0.0098 | 385,489 | 0.0053 | 190,525 | 0.0404 | 1,313,469 | 0.0416 | 1,275,324 |
| Library Levy | 0.2542 | 10,645,212 | 0.2548 | 10,036,386 | 0.2499 | 8,991,203 | 0.2854 | 9,279,644 | 0.2866 | 8,793,735 |
| TOTAL TAX EXTENSIONS | 1.9107 | \$ 79,999,684 | 1.9707 | \$ 77,623,799 | 2.0217 | \$ 72,749,784 | 2.2933 | \$ 74,563,373 | 2.4362 | \$ 74,757,886 |

CITY OF AURORA, ILLINOIS

PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS (Continued)

Last Ten Tax Levy Years

| Tax Levy Year | 2014 | | 2015 | | 2016 | | 2017 | | 2018 | |
|---------------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|
| ASSESSED VALUATION | | | | | | | | | | |
| Kane County Portion | | \$ 1,339,193,214 | | \$ 1,412,877,349 | | \$ 1,562,830,126 | | \$ 1,683,269,869 | | \$ 1,808,976,541 |
| DuPage County Portion | | 1,418,161,405 | | 1,476,673,449 | | 1,570,352,343 | | 1,671,526,578 | | 1,748,265,661 |
| Kendall County Portion | | 94,389,348 | | 99,141,396 | | 105,785,442 | | 114,055,357 | | 126,642,643 |
| Will County Portion | | <u>207,011,914</u> | | <u>221,702,220</u> | | <u>231,125,899</u> | | <u>236,783,940</u> | | <u>244,265,320</u> |
| TOTAL ASSESSED VALUATION | | <u>\$ 3,058,755,881</u> | | <u>\$ 3,210,394,414</u> | | <u>\$ 3,470,093,810</u> | | <u>\$ 3,705,635,744</u> | | <u>\$ 3,928,150,165</u> |
| | Rate* | Amount | Rate* | Amount | Rate* | Amount | Rate* | Amount | Rate* | Amount |
| TAX EXTENSIONS | | | | | | | | | | |
| General Fund | 1.3437 | \$ 41,101,388 | 1.3227 | \$ 42,465,427 | 1.2260 | \$ 42,542,646 | 1.1477 | \$ 42,528,705 | 1.0684 | \$ 41,967,779 |
| IMRF | 0.1144 | 3,499,251 | 0.1029 | 3,304,777 | 0.1028 | 3,568,820 | 0.1086 | 4,025,491 | 0.1024 | 4,021,062 |
| Debt Service Fund | 0.3681 | 11,259,069 | 0.1255 | 4,028,243 | 0.1163 | 4,037,404 | 0.1090 | 4,037,670 | 0.1028 | 4,037,645 |
| Police Pension Fund | 0.3153 | 9,642,744 | 0.3531 | 11,336,924 | 0.3649 | 12,661,698 | 0.3860 | 14,303,873 | 0.3867 | 15,189,396 |
| Firefighters' Pension Fund | 0.1320 | 4,037,615 | 0.2950 | 9,469,127 | 0.2926 | 10,153,424 | 0.3058 | 11,332,668 | 0.3039 | 11,937,520 |
| City Levy | 2.2735 | 69,540,067 | 2.1992 | 70,604,499 | 2.1026 | 72,963,993 | 2.0571 | 76,228,407 | 1.9642 | 77,153,402 |
| Library General Fund | 0.2450 | 7,494,171 | 0.2545 | 8,169,642 | 0.2550 | 8,848,739 | 0.2550 | 9,449,371 | 0.2727 | 10,713,655 |
| Library Debt Service Fund | 0.0414 | 1,265,366 | 0.0391 | 1,256,658 | 0.0361 | 1,252,846 | 0.0337 | 1,249,828 | 0.0316 | 1,242,179 |
| Library Levy | 0.2864 | 8,759,537 | 0.2936 | 9,426,300 | 0.2911 | 10,101,585 | 0.2887 | 10,699,199 | 0.3043 | 11,955,834 |
| TOTAL TAX EXTENSIONS | 2.5599 | \$ 78,299,604 | 2.4928 | \$ 80,030,799 | 2.3937 | \$ 83,065,578 | 2.3458 | \$ 86,927,606 | 2.2685 | \$ 89,109,236 |

* Property tax rates are per \$100 of assessed valuation.

Note: 2019 information is not available.

Data Source

City Records

CITY OF AURORA, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

| Levy Year | Residential Property | Commercial Property | Industrial Property | Rural Property | Railroad Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Estimated Actual Taxable Value |
|------------------|-----------------------------|----------------------------|----------------------------|-----------------------|--------------------------|-------------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| 2009 | \$ 3,215,060,697 | \$ 652,132,768 | \$ 317,484,799 | \$ 1,367,617 | \$ 1,022,515 | \$ 4,187,068,396 | 1.5860 | \$ 12,561,205,188 | 33.333% |
| 2010 | 3,017,867,140 | 616,823,178 | 301,946,177 | 1,397,339 | 1,107,906 | 3,939,141,740 | 1.7159 | 11,817,425,220 | 33.333% |
| 2011 | 2,730,761,797 | 582,824,054 | 282,100,080 | 1,514,150 | 1,334,424 | 3,598,534,505 | 1.7718 | 10,795,603,515 | 33.333% |
| 2012 | 2,420,269,205 | 559,731,771 | 268,945,014 | 1,134,056 | 1,419,828 | 3,251,499,874 | 2.0079 | 9,754,499,622 | 33.333% |
| 2013 | 2,205,595,578 | 560,005,657 | 300,493,295 | 1,098,966 | 1,545,570 | 3,068,739,066 | 2.1496 | 9,206,217,198 | 33.333% |
| 2014 | 2,183,952,527 | 558,958,227 | 313,164,349 | 1,114,992 | 1,565,786 | 3,058,755,881 | 2.2735 | 9,176,267,643 | 33.333% |
| 2015 | 2,301,415,654 | 577,999,166 | 328,234,450 | 1,112,153 | 1,633,531 | 3,210,394,954 | 2.1992 | 9,631,184,862 | 33.333% |
| 2016 | 2,506,462,747 | 610,843,140 | 349,764,410 | 1,174,434 | 1,849,079 | 3,470,093,810 | 2.1026 | 10,410,281,430 | 33.333% |
| 2017 | 2,694,000,605 | 641,341,282 | 367,032,495 | 1,213,907 | 2,047,455 | 3,705,635,744 | 2.0571 | 11,116,907,232 | 33.333% |
| 2018 | 2,852,649,827 | 660,214,403 | 411,775,377 | 1,314,332 | 2,196,226 | 3,928,150,165 | 1.9642 | 11,784,450,495 | 33.333% |

Note: Property is assessed at 33% of actual value.

Data Sources

Office of the Clerks of Kane, DuPage, Kendall and Will Counties

CITY OF AURORA, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

| Tax Levy Year | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| TAX RATES* | | | | | | | | | | |
| County | | | | | | | | | | |
| Kane | 0.5395 | 0.5931 | 0.6599 | 0.7046 | 0.7662 | 0.7810 | 0.7422 | 0.6454 | 0.5683 | 0.5484 |
| DuPage | 0.2771 | 0.2980 | 0.3187 | 0.3471 | 0.3697 | 0.3748 | 0.3593 | 0.3362 | 0.3055 | 0.2951 |
| Kendall | 0.6678 | 0.7438 | 0.8203 | 0.8941 | 0.9649 | 0.9911 | 0.9696 | 0.9232 | 0.8840 | 0.8231 |
| Will | 0.6543 | 0.6841 | 0.7244 | 0.7767 | 0.8186 | 0.8410 | 0.8295 | 0.8091 | 0.7881 | 0.7431 |
| Township | | | | | | | | | | |
| Aurora | 0.2190 | 0.2428 | 0.2742 | 0.3141 | 0.3621 | 0.3743 | 0.3562 | 0.3265 | 0.3124 | 0.3126 |
| Sugar Grove | 0.2403 | 0.2510 | 0.2615 | 0.2737 | 0.2836 | 0.2861 | 0.4050 | 0.2649 | 0.2555 | 0.2473 |
| Batavia | 0.1174 | 0.1245 | 0.1334 | 0.1433 | 0.1496 | 0.1537 | 0.1483 | 0.1428 | 0.1426 | 0.1414 |
| Naperville | 0.0789 | 0.0855 | 0.0894 | 0.0812 | 0.0900 | 0.0660 | 0.0738 | 0.0785 | 0.0769 | 0.0765 |
| Winfield | 0.1977 | 0.2139 | 0.2363 | 0.2645 | 0.2973 | 0.3155 | 0.3116 | 0.2907 | 0.2708 | 0.2466 |
| Oswego | 0.2405 | 0.2594 | 0.2671 | 0.2808 | 0.2979 | 0.3071 | 0.2931 | 0.2772 | 0.2638 | 0.2474 |
| Wheatland | 0.0752 | 0.0805 | 0.0831 | 0.0872 | 0.0518 | 0.0806 | 0.0769 | 0.0737 | 0.0738 | 0.0738 |
| Airport Authority - DuPage | 0.0148 | 0.0158 | 0.0169 | 0.0168 | 0.0178 | 0.0196 | 0.0188 | 0.0176 | 0.0166 | 0.0146 |
| Park District | | | | | | | | | | |
| Fox Valley | 0.4122 | 0.4803 | 0.5286 | 0.5863 | 0.6280 | 0.6307 | 0.5999 | 0.5590 | 0.5322 | 0.4903 |
| Batavia | 0.4521 | 0.4529 | 0.4875 | 0.5092 | 0.5528 | 0.5765 | 0.5707 | 0.5540 | 0.5560 | 0.5564 |
| Sugar Grove | 0.1463 | 0.1603 | 0.1756 | 0.1999 | 0.2196 | 0.2223 | 0.2139 | 0.2046 | 0.1996 | 0.1951 |
| Oswego | 0.3594 | 0.3830 | 0.4117 | 0.4203 | 0.4872 | 0.5103 | 0.4973 | 0.4764 | 0.4668 | 0.4502 |
| Junior College District | | | | | | | | | | |
| #502 - DuPage | 0.2127 | 0.2349 | 0.2495 | 0.2681 | 0.2956 | 0.2975 | 0.2786 | 0.2626 | 0.2431 | 0.2317 |
| #516 - Waubensee | 0.4043 | 0.4070 | 0.4710 | 0.5312 | 0.5807 | 0.5954 | 0.5875 | 0.5607 | 0.5533 | 0.5414 |
| School District | | | | | | | | | | |
| #101 - Batavia | 4.6986 | 4.9034 | 5.7833 | 6.0860 | 6.3725 | 6.5706 | 6.4042 | 6.1728 | 6.1198 | 6.0613 |
| #129 - West Aurora | 4.1835 | 4.2740 | 5.1603 | 5.8896 | 6.6667 | 6.8578 | 6.5898 | 6.1478 | 5.9882 | 5.8301 |
| #131 - East Aurora | 3.8794 | 4.0041 | 4.9160 | 5.9645 | 6.9014 | 7.5965 | 6.7277 | 6.0474 | 5.5032 | 4.9529 |
| #204 - Indian Prairie | 4.4987 | 4.8927 | 5.2200 | 5.7047 | 5.9601 | 6.0210 | 5.8505 | 5.6004 | 5.4967 | 5.4589 |
| #302 - Kaneland | 5.0024 | 5.3897 | 5.9619 | 6.7184 | 7.3723 | 7.5877 | 7.4668 | 7.2069 | 7.0921 | 6.9851 |
| #308 - Oswego | 5.0600 | 5.8377 | 6.6573 | 7.3678 | 7.8803 | 7.9213 | 7.3608 | 6.9848 | 6.9526 | 6.8114 |

| Tax Levy Year | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| TAX RATES* (Continued) | | | | | | | | | | |
| City of Aurora | | | | | | | | | | |
| General Fund | 1.0725 | 1.0725 | 1.1612 | 1.2906 | 1.3388 | 1.3437 | 1.3227 | 1.2260 | 1.1477 | 1.0684 |
| IMRF Fund | - | 0.0692 | 0.0760 | 0.1019 | 0.1076 | 0.1144 | 0.1029 | 0.1028 | 0.1086 | 0.1024 |
| Debt Service | 0.0964 | 0.1025 | 0.1122 | 0.2654 | 0.1315 | 0.3681 | 0.1255 | 0.1163 | 0.1090 | 0.1028 |
| Police Pension | 0.2282 | 0.2590 | 0.2240 | 0.2253 | 0.3205 | 0.3153 | 0.3531 | 0.3649 | 0.3860 | 0.3867 |
| Firefighters' Pension | 0.1889 | 0.2127 | 0.1984 | 0.1247 | 0.2512 | 0.1320 | 0.2950 | 0.2926 | 0.3058 | 0.3039 |
| Total City of Aurora | 1.5860 | 1.7159 | 1.7718 | 2.0079 | 2.1496 | 2.2735 | 2.1992 | 2.1026 | 2.0571 | 1.9642 |
| City of Aurora Public Library | 0.2542 | 0.2545 | 0.2503 | 0.2853 | 0.2866 | 0.2864 | 0.2942 | 0.2911 | 0.2887 | 0.3043 |
| Total City and Library | 1.8402 | 1.9704 | 2.0221 | 2.2932 | 2.4362 | 2.5599 | 2.4934 | 2.3937 | 2.3458 | 2.2685 |

Total Combined Tax Rates

| | | | | | | | | | | |
|-----------------------------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|
| Within School District #101 | 7.6705 | 7.9961 | 9.0623 | 9.7416 | 10.2962 | 10.6506 | 10.3705 | 9.9057 | 10.2536 | 10.0430 |
| Within School District #129 | 7.6691 | 7.9653 | 9.1087 | 10.3022 | 11.4308 | 11.7891 | 11.3640 | 10.6234 | 10.2917 | 9.9829 |
| Within School District #131 | 7.3650 | 7.9918 | 8.8644 | 10.3771 | 11.6654 | 12.5278 | 11.5019 | 10.5230 | 9.8067 | 9.1057 |
| Within School District #204 | 7.4001 | 7.9642 | 8.4430 | 9.2872 | 9.7879 | 9.9634 | 9.6730 | 9.2463 | 9.0265 | 8.8325 |
| Within School District #302 | 8.5334 | 9.1158 | 9.9267 | 11.1234 | 12.0929 | 12.4656 | 12.1952 | 11.6513 | 11.3677 | 11.1002 |
| Within School District #308 | 8.5456 | 9.7372 | 9.5738 | 12.2643 | 12.8269 | 13.1208 | 12.4400 | 11.3538 | 11.0650 | 10.9407 |

* Property tax rates are per \$100 of assessed valuation.

Notes:

- (a) Rates vary throughout the City because of overlapping boundaries for counties, townships, fire districts, sanitary districts, school districts, etc.
- (b) Tax rates for the year listed are used for the extension and collection in the subsequent year.
- (c) Special service area rates excluded.

Data Sources

Offices of the Clerks of Kane, DuPage, Kendall and Will Counties.

CITY OF AURORA, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

| Taxpayer | 2019 | | | 2010 | | |
|--|------------------------|------|---|------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Valuation | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Valuation |
| Simon/Chelsea Chicago Development, LLC | \$ 72,481,374 | 1 | 1.85% | \$ 39,909,367 | 3 | 0.95% |
| Liberty Illinois LP | 37,863,093 | 2 | 0.96% | 41,390,478 | 2 | 0.99% |
| Real Estate Tax Advisors | 35,400,750 | 3 | 0.90% | - | | 0.00% |
| Fox Valley Mall LLC | 30,822,220 | 4 | 0.78% | - | | 0.00% |
| Chicago Premium Outlets Expansion LLC | 21,654,069 | 5 | 0.55% | - | | 0.00% |
| TGM Chesapeake Inc. | 18,998,100 | 6 | 0.48% | - | | 0.00% |
| JVM Aventine Apartments | 18,717,880 | 7 | 0.48% | - | | 0.00% |
| Cryusone LLC | 14,581,960 | 8 | 0.37% | - | | 0.00% |
| SSIL Fox Valley LLC | 14,101,790 | 9 | 0.36% | - | | 0.00% |
| LIT Industrial LP | 13,210,686 | 10 | 0.34% | - | | 0.00% |
| Westfield Shoppingtown | - | | - | 43,265,551 | 1 | 1.03% |
| Aurora Industrial Holding Company | - | | - | 25,343,834 | 4 | 0.61% |
| Toyota Motor Sales, U.S.A., Inc. | - | | - | 22,152,307 | 5 | 0.53% |
| AIMCO | - | | - | 15,019,370 | 6 | 0.36% |
| Amlt at Oakhurst LLC | - | | - | 12,882,840 | 7 | 0.31% |
| Reliant Energy Aurora LP | - | | - | 10,503,530 | 8 | 0.25% |
| Cabot Microelectronics | - | | - | 9,378,510 | 9 | 0.22% |
| Meijer Stores | - | | - | 9,142,000 | 10 | 0.22% |
| | <u>\$ 277,831,922</u> | | <u>7.07%</u> | <u>\$ 228,987,787</u> | | <u>5.47%</u> |

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Sources

DuPage and Kane Counties. Kendall and Will Counties have been excluded since they consist of approximately 10% of the City's 2019 EAV.

CITY OF AURORA, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Tax Levy Years

| Tax Levy Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------|
| General Fund | \$ 42,182,005 | \$ 41,505,979 | \$ 41,840,847 | \$ 40,882,441 | \$ 41,260,272 | \$ 42,384,404 | \$ 42,378,615 | \$ 42,357,690 | \$ 41,993,090 | (a) |
| IMRF Fund | 2,718,541 | 2,716,740 | 3,295,978 | 3,285,977 | 3,490,291 | 3,304,836 | 3,560,417 | 4,014,290 | 4,017,029 | (a) |
| Debt Service | 4,026,985 | 3,999,237 | 4,000,000 | 4,017,198 | 4,027,238 | 4,037,078 | 4,037,404 | 4,037,670 | 4,037,645 | (a) |
| Police Pension Fund | 10,155,128 | 8,023,285 | 8,556,600 | 9,792,070 | 11,089,768 | 11,388,868 | 12,661,698 | 14,303,873 | 15,189,396 | (a) |
| Firefighters' Pension Fund | 8,341,708 | 7,106,024 | 7,262,200 | 7,675,355 | 9,494,401 | 9,490,583 | 10,153,424 | 11,332,668 | 11,937,520 | (a) |
| City Collections | 67,424,366 | 63,351,266 | 64,955,625 | 65,653,041 | 69,361,970 | 70,605,769 | 72,791,559 | 76,046,191 | 77,174,680 | (a) |
| Library General Fund | 9,627,454 | 8,780,838 | 7,931,574 | 7,481,236 | 7,474,683 | 8,167,192 | 8,824,967 | 9,423,383 | 10,716,220 | (a) |
| Library Debt Service | 384,552 | 188,476 | 1,301,208 | 1,269,014 | 1,262,073 | 1,259,277 | 1,252,846 | 1,249,828 | 1,242,179 | (a) |
| Library Collections | 10,012,007 | 8,969,314 | 9,232,782 | 8,750,251 | 8,736,756 | 9,426,469 | 10,077,813 | 10,673,211 | 11,958,399 | (a) |
| Total Collections within the Fiscal Year of the Levy | 77,436,373 | 72,320,580 | 74,188,407 | 74,403,292 | 78,098,726 | 80,032,237 | 82,869,372 | 86,719,402 | 89,133,079 | (a) |
| Collections in Subsequent Years | 1,270 | 14,996 | 7,109 | 5,068 | 1,450 | 3,617 | 1,440 | 631 | 25,060 | (a) |
| TOTAL COLLECTIONS TO DATE | \$ 77,437,643 | \$ 72,335,576 | \$ 74,195,516 | \$ 74,408,360 | \$ 78,100,176 | \$ 80,035,854 | \$ 82,870,812 | \$ 86,720,033 | \$ 89,158,139 | (a) |
| LEVY AS EXTENDED | \$ 77,623,800 | \$ 72,749,784 | \$ 74,563,372 | \$ 74,757,886 | \$ 78,299,604 | \$ 80,203,259 | \$ 83,065,578 | \$ 86,927,606 | \$ 89,109,236 | (a) |
| PERCENT COLLECTED | 99.8% | 99.4% | 99.5% | 99.5% | 99.7% | 99.8% | 99.8% | 99.8% | 100.1% | (a) |

(a) 2019 property taxes will not be collected until 2020.

Data Source

City Records

CITY OF AURORA, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Merchandise | \$ 4,405,522 | \$ 4,022,235 | \$ 4,488,595 | \$ 4,334,305 | \$ 5,080,740 | \$ 4,880,428 | \$ 4,602,563 | \$ 4,060,726 | \$ 3,908,254 | \$ 3,494,988 (a) |
| Food | 2,600,531 | 2,705,129 | 2,709,986 | 2,673,783 | 2,969,341 | 3,534,373 | 3,211,138 | 3,401,519 | 3,654,130 | 3,659,920 |
| Drinking and Eating Places | 3,876,977 | 4,203,064 | 4,416,494 | 4,530,186 | 4,616,609 | 4,958,680 | 5,058,528 | 5,097,306 | 5,340,870 | 5,633,208 (b) |
| Apparel | 6,299,977 | 7,225,649 | 7,393,788 | 7,046,141 | 6,353,017 | 6,576,843 | 7,042,977 | 6,767,606 | 6,648,732 | 6,216,524 |
| Furniture, H.H. and Radio | 2,414,031 | 2,206,865 | 2,145,549 | 2,300,360 | 2,338,952 | 2,343,814 | 2,541,752 | 2,511,327 | 2,465,573 | 2,388,995 (b) |
| Lumber, Building Hardware | 1,085,156 | 1,046,601 | 923,296 | 1,049,225 | 1,109,130 | 1,094,611 | 1,138,407 | 1,274,133 | 1,267,599 | 1,291,447 (a) |
| Automobile and Filling Stations | 5,443,285 | 5,706,600 | 5,785,355 | 5,784,962 | 5,041,240 | 4,756,312 | 4,581,789 | 4,935,820 | 5,266,781 | 5,253,946 (a) |
| Drugs and Miscellaneous Retail | 5,626,786 | 6,021,825 | 6,255,034 | 6,730,057 | 6,940,202 | 5,856,291 | 6,312,981 | 6,580,656 | 4,140,552 | 8,911,285 |
| Agriculture and All Others | 3,861,097 | 4,251,063 | 4,148,186 | 6,410,112 | 5,539,426 | 5,886,119 | 5,266,691 | 6,027,889 | 3,975,491 | 6,032,738 |
| Manufacturers | 1,022,239 | 1,008,757 | 969,660 | 1,146,718 | 1,243,351 | 1,277,188 | 3,441,267 | 1,202,291 | 984,160 | 1,316,377 (c) |
| TOTAL | \$ 36,635,601 | \$ 38,397,788 | \$ 39,235,943 | \$ 42,005,849 | \$ 41,232,008 | \$ 41,164,659 | \$ 43,198,093 | \$ 41,859,273 | \$ 37,652,140 | \$ 44,199,427 |
| City's direct sales tax rate (d) | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% |

Notes:

- (a) Does not include Kendall or Will County, as there are less than four taxpayers in this category.
- (b) Does not include Kendall County, as there are less than four taxpayers in this category.
- (c) Does not include Will County in the current year, as there are less than four taxpayers in this category.
- (d) Includes the State-shared portion of the sales tax.

Data Sources

City Records
 Illinois Department of Revenue

CITY OF AURORA, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

| Fiscal Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| DIRECT | | | | | | | | | | |
| City of Aurora | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% |
| OVERLAPPING (a) | | | | | | | | | | |
| State of Illinois | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Regional Transportation Authority | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% |
| County Portion | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% |
| City of Aurora | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| Total Overlapping | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% |
| TOTAL SALES TAX RATE | 8.25% | 8.25% | 8.25% | 8.25% | 8.25% | 8.25% | 8.25% | 8.25% | 8.25% | 8.25% |

(a) The City is located within four counties - Kane, DuPage, Will and Kendall. Kendall County does not incur the Regional Transportation Authority tax; however, they do incur a County Public Safety tax rate of 1%.

Data Source

Illinois Department of Revenue

CITY OF AURORA, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE
(In Thousands of Dollars)

Last Ten Fiscal Years

| Fiscal Year Ended | Governmental Activities | | | | | Business-Type Activities | | Total Primary Government | Percentage of Personal Income* | Per Capita* |
|-------------------------|--------------------------------|------------------------------|--|------------------|-----------------------|--------------------------|-----------------------|--------------------------------|---|----------------|
| | General Obligation Bonds | Tax Increment Bonds/Notes | Installment Contracts/ Debt Certificates | Notes Payable | Illinois EPA Loans | Revenue Bonds | Illinois EPA Loans | | | |
| 2010 | \$ 168,815 | \$ 20,715 | \$ 7,640 | \$ 10,598 | \$ 1,640 | \$ 34,825 | \$ 10,681 | \$ 254,914 | 4.36% | \$ 1.29 |
| 2011 | 156,905 | 18,960 | 6,800 | 8,140 | 1,502 | 33,995 | 9,932 | 236,234 | 4.04% | 1.19 |
| 2012 | 148,914 | 17,190 | 2,720 | 6,018 | 1,360 | 32,770 | 9,245 | 218,217 | 3.73% | 1.10 |
| 2013 | 136,417 | 14,585 | 4,835 | 1,356 | 1,215 | 31,747 | 8,545 | 198,700 | 3.40% | 1.00 |
| 2014 | 127,495 | 13,695 | 3,805 | - | 1,066 | 30,652 | 7,829 | 184,542 | 3.56% | 0.93 |
| 2015 | 118,800 | 12,835 | 2,795 | - | 913 | 29,973 | 7,097 | 172,413 | 3.28% | 0.87 |
| 2016 | 112,051 | 11,915 | 1,725 | - | 3,184 | 28,657 | 6,347 | 163,879 | 3.06% | 0.82 |
| 2017 | 121,549 | 10,920 | 4,185 | - | 7,067 | 27,305 | 5,585 | 176,611 | 3.25% | 0.88 |
| 2018 | 114,273 | 9,410 | 3,800 | - | 7,127 | 25,904 | 4,805 | 165,319 | 2.89% | 0.82 |
| 2019 | 107,997 | 8,165 | 3,395 | - | 6,360 | 24,455 | 4,006 | 154,378 | 2.60% | 0.77 |

* See the schedule of Demographic and Economic Information on page 202 for personal income and population data.

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

CITY OF AURORA, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
(In Thousands of Dollars)

Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds | Less Amounts Available In Debt Service Fund | Total | Percentage of Estimated Actual Taxable Value of Property* | Per Capita |
|--------------------|---------------------------------|--|--------------|--|-------------------|
| 2010 | \$ 168,815 | \$ 2,135 | \$ 166,680 | 3.98% | 0.84 |
| 2011 | 156,905 | 1,531 | 155,374 | 3.94% | 0.79 |
| 2012 | 148,914 | 1,824 | 147,090 | 4.09% | 0.74 |
| 2013 | 136,417 | 1,893 | 135,279 | 3.74% | 0.68 |
| 2014 | 127,495 | 1,138 | 124,431 | 4.13% | 0.64 |
| 2015 | 118,800 | 895 | 117,905 | 3.88% | 0.60 |
| 2016 | 112,051 | 3,064 | 108,987 | 3.39% | 0.54 |
| 2017 | 121,549 | 855 | 120,694 | 3.48% | 0.60 |
| 2018 | 114,273 | 1,559 | 112,714 | 3.04% | 0.56 |
| 2019 | 107,997 | 3,054 | 104,943 | 2.67% | 0.53 |

* See the schedule of Assessed Value and Actual Value of Taxable Property on page 190 for property value data.

Note: Details of the City's outstanding debt can be found in the notes to financial statements. General obligation bonds represents only the primary government.

CITY OF AURORA, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2019

| Governmental Unit | Gross Debt | Percentage Debt Applicable to the City (1) | The City's Share of Debt |
|--|-------------------------|---|---------------------------------|
| City of Aurora | \$ 125,917,000 | 100.00% | \$ 125,917,000 |
| School District #101 | 52,965,000 | 19.11% | 10,121,612 |
| School District #129 | 132,668,000 | 51.13% | 67,833,148 |
| School District #131 | 112,181,282 | 86.73% | 97,294,826 |
| School District #200 | 125,275,000 | 0.58% | 726,595 |
| School District #204 | 178,925,000 | 31.51% | 56,379,268 |
| School District #302 | 75,380,788 | 3.64% | 2,743,861 |
| School District #308 | 290,728,062 | 1.19% | 3,459,664 |
| Community College #502 | 200,635,000 | 4.23% | 8,486,861 |
| Community College #516 | 52,510,000 | 18.59% | 9,761,609 |
| Kane County | 28,140,000 | 12.63% | 3,554,082 |
| Kane County Forest Preserve District | 144,415,000 | 12.63% | 18,239,615 |
| DuPage County | 143,280,000 | 4.38% | 6,275,664 |
| DuPage County Forest Preserve District | 102,721,129 | 4.38% | 4,499,185 |
| Batavia Library District | - | 3.02% | - |
| Batavia Park District | 688,880 | 7.30% | 50,288 |
| Fox Valley Park District | 28,700,000 | 72.36% | 20,767,320 |
| Naperville Park District | 29,690,000 | 1.97% | 584,893 |
| Total Overlapping Debt | 1,698,903,141 | | 310,778,490 |
| TOTAL DIRECT AND OVERLAPPING DEBT | \$ 1,824,820,141 | | \$ 436,695,490 |

(1) Percentages are based on 2018 EAVs, the latest available.

Data Sources

DuPage and Kane Counties. Kendall and Will Counties have been excluded since they are approximately 9% of the City's 2018 EAV.

CITY OF AURORA, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2019

The City is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property....(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent....indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the

To date, the General Assembly has set no limits for home rule municipalities.

CITY OF AURORA, ILLINOIS

PLEGGED-REVENUE COVERAGE
(In Thousands of Dollars)

Last Ten Fiscal Years

| Fiscal Year | Water Revenue Bonds | | | | | | Golf Revenue Bonds | | | | | |
|-------------|-------------------------|-------------------------|-----------------------|--------------|----------|----------|------------------------|-------------------------|-----------------------|--------------|----------|----------|
| | Water Charges and Other | Less Operating Expenses | Net Available Revenue | Debt Service | | Coverage | Golf Charges and Other | Less Operating Expenses | Net Available Revenue | Debt Service | | Coverage |
| | | | | Principal | Interest | | | | | Principal | Interest | |
| 2010 | \$ 27,418 | \$ 24,372 | \$ 3,046 | \$ 605 | \$ 1,627 | 1.36 | \$ 1,901 | \$ 1,870 | \$ 31 | \$ 205 | \$ 215 | 0.07 |
| 2011 | 27,492 | 19,924 | 7,568 | 625 | 1,589 | 3.42 | 1,720 | 1,597 | 123 | 250 | 204 | 0.27 |
| 2012 | 30,426 | 22,151 | 8,275 | 660 | 1,550 | 3.74 | 1,821 | 1,799 | 22 | 540 | 190 | 0.03 |
| 2013 | 29,422 | 23,426 | 5,996 | 695 | 1,346 | 2.94 | 1,798 | 1,657 | 141 | 355 | 69 | 0.33 |
| 2014 | 30,242 | 26,202 | 4,040 | 725 | 1,321 | 1.97 | 1,625 | 1,655 | (30) | 365 | 58 | (0.07) |
| 2015 | 31,478 | 25,043 | 6,435 | 760 | 710 | 4.38 | 1,618 | 1,607 | 10 | 375 | 49 | 0.02 |
| 2016 | 33,091 | 27,604 | 5,487 | 910 | 1,069 | 2.77 | 1,141 | 1,400 | (259) | 385 | 40 | (0.61) |
| 2017 | 34,309 | 22,753 | 11,556 | 940 | 1,026 | 5.88 | 1,126 | 743 | 383 | 390 | 30 | 0.91 |
| 2018 | 36,211 | 19,178 | 17,033 | 980 | 980 | 8.69 | 1,099 | 765 | 334 | 400 | 21 | 0.79 |
| 2019 | 42,506 | 25,095 | 17,411 | 1,020 | 885 | 9.14 | 1,177 | 1,218 | (41) | 410 | 10 | (0.10) |

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

CITY OF AURORA, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

| Fiscal Year | (a) Population | (b) Effective Buying Income | (a) Median Age | (c) Elementary and Secondary School Enrollment | (a) Personal Income (in thousands) | (a) Per Capita Personal Income | (d) Unemployment Rate |
|--------------------|---------------------------|--|-------------------------------|---|---|---|--------------------------------------|
| 2010 | 197,899 | N/A | 30 | 47,432 | \$ 5,848,114 | \$ 29,551 | 10.1% |
| 2011 | 197,899 | N/A | 31 | 50,183 | 5,848,114 | 29,551 | 9.5% |
| 2012 | 197,899 | N/A | 31 | 44,809 | 5,848,114 | 29,551 | 8.6% |
| 2013 | 197,899 | N/A | 31 | 40,715 | 5,163,383 | 26,091 | 9.1% |
| 2014 | 197,899 | N/A | 31.5 | 45,333 | 5,189,110 | 26,221 | 6.9% |
| 2015 | 197,899 | N/A | 31.4 | 44,993 | 5,249,667 | 26,527 | 5.8% |
| 2016 | 200,661 * | N/A | 31.7 | 45,160 | 5,358,251 | 26,703 | 5.1% |
| 2017 | 201,110 * | N/A | 32.0 | 44,515 | 5,427,758 | 26,989 | 4.7% |
| 2018 | 200,965 * | N/A | 32.8 | 44,039 | 5,724,086 | 28,483 | 4.0% |
| 2019 | 199,602 * | N/A | 32.8 | 42,822 | 5,938,559 | 29,752 | 3.2% |

* Estimated

N/A - information not available

(a) U.S. Department of Commerce, Bureau of the Census.

(b) "Sales and Marketing Management" (private publication). "Effective buying income" (EBI) is defined as money income less personal tax and certain nontax payments, such as Social Security contributions. EBI is a measure of median household disposable/after-tax income.

(c) Private school and public school district administration offices.

(d) Bureau of Labor Statistics.

Note: Personal income is based on the census.

CITY OF AURORA, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

| 2019 | | | | 2010 | | | |
|-----------------------------------|------------------|-------------|---|-----------------------------|------------------|-------------|---|
| Employer | Employees | Rank | Percent of Total City Population | Employer | Employees | Rank | Percent of Total City Population |
| Rush Copley Medical Center | 2,200 | 1 | 1.10% | Caterpillar, Inc. | 3,000 | 1 | 1.52% |
| School District 129 | 1,650 (a) | 2 | 0.83% | Hollywood Casino | 1,600 | 2 | 0.81% |
| School District 131 | 1,320 (a) | 3 | 0.66% | Rush Copley Medical Center | 1,400 | 3 | 0.71% |
| Amita Health Mercy Medical Center | 1,300 | 4 | 0.65% | School District 204 | 1,200 (a) | 4 | 0.61% |
| City of Aurora | 1,280 | 5 | 0.64% | School District 129 | 1,153 (a) | 5 | 0.58% |
| Dreyer Medical Clinic | 1,200 | 6 | 0.60% | Dreyer Medical Clinic | 1,000 | 6 | 0.51% |
| School District 204 | 1,200 (a) | 7 | 0.60% | School District 131 | 950 (a) | 7 | 0.48% |
| Caterpillar, Inc. | 1,100 (b) | 8 | 0.55% | Provena Mercy Center | 945 | 8 | 0.48% |
| Hollywood Casino | 1,010 | 9 | 0.51% | Metropolitan Insurance Cos. | 800 | 9 | 0.40% |
| MetLife, Inc. | 800 | 10 | 0.40% | Farmers Insurance Group | 520 | 10 | 0.26% |
| Old Second Bancorp, Inc. | 500 | 11 | 0.25% | Hipp Temporary Skills | 500 | 11 | 0.25% |
| TOTAL | 13,560 | | 6.80% | | 13,068 | | 6.59% |

(a) Administrative office and majority of school sites located in the City. Limited number of school sites located in adjacent areas.

(b) Caterpillar, Inc. shut down its production line in 2017, laid off approximately 800 employees in 2018 and approximately 400 in 2019.

Data Sources

2019 Illinois Manufacturers Directory, 2019 Illinois Services Directory and telephone survey.

2010 Illinois Manufacturers Directory, 2010 Illinois Services Directory and telephone survey.

CITY OF AURORA, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

| Function/Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Government | | | | | | | | | | |
| Executive | 45 | 37 | 37 | 38 | 38 | 39 | 39 | 38 | 51 | 59 |
| Law | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 5 | 6 |
| Administrative Services | 40 | 39 | 39 | 37 | 33 | 40 | 40 | 38 | - | - |
| Community Services and Outreach | 64 | 21 | 22 | 18 | 19 | 20 | 20 | 21 | 44 | 45 |
| Development Services | 51 | 50 | 52 | 52 | 27 | 29 | 29 | 29 | 67 | 66 |
| Community Development | - | - | - | - | - | - | - | - | - | - |
| Neighborhood Standards | - | - | - | - | 43 | 44 | 44 | 44 | - | - |
| Finance | 27 | 26 | 26 | 29 | 28 | 28 | 28 | 28 | 29 | 29 |
| Information Technology | - | - | - | - | - | - | - | - | - | - |
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Officers | 301 | 289 | 289 | 289 | 289 | 289 | 289 | 289 | 297 | 301 |
| Civilians | 102 | 100 | 88 | 89 | 89 | 88 | 89 | 93 | 93 | 91 |
| Fire | | | | | | | | | | |
| Firefighters and Officers | 205 | 195 | 195 | 195 | 195 | 196 | 195 | 204 | 206 | 208 |
| Civilians | 5 | 5 | 5 | 5 | 5 | 6 | 7 | 11 | 11 | 11 |
| Public Works | | | | | | | | | | |
| Administration | - | - | - | - | 2 | 2 | 2 | 2 | - | - |
| Public Property | - | - | - | - | - | - | - | - | - | - |
| Electrical Maintenance | - | - | - | - | 6 | 5 | 4 | 4 | - | - |
| Engineering | - | - | - | - | 20 | 22 | 22 | 22 | - | - |
| Parks and Recreation | - | - | - | - | - | - | - | - | - | - |
| Operations Department | 124 | 117 | 116 | 114 | - | - | - | - | - | - |
| Public Properties | - | - | - | - | 73 | 74 | 74 | 74 | 110 | 110 |
| Other City Funds | 147 | 136 | 134 | 135 | 132 | 135 | 128 | 128 | 128 | 129 |
| Library | 118 | 120 | 119 | 120 | 122 | 122 | 129 | 114 | 115 | 115 |
| TOTAL FULL-TIME EQUIVALENT EMPLOYEES | 1,234 | 1,140 | 1,127 | 1,126 | 1,125 | 1,139 | 1,141 | 1,142 | 1,154 | 1,170 |

Note: Blanks in certain function/program categories constitutes reclassification of departments.

Data Source

City Budget Office

CITY OF AURORA, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

| Function/Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Physical Arrests | 9,668 | 8,463 | 9,515 | 9,179 | 8,117 | 7,164 | 7,153 | 6,523 | 6,692 | 5,933 |
| Citations Issued | 17,511 | 13,718 | 21,630 | 21,839 | 18,428 | 17,894 | 15,934 | 15,204 | 15,639 | 13,521 |
| Fire | | | | | | | | | | |
| Ambulance Calls | 11,504 | 11,768 | 12,307 | 12,256 | 13,309 | 13,800 | 14,523 | 14,666 | 15,502 | 15,815 |
| Fires Calls | 3,600 | 3,349 | 3,625 | 3,516 | 4,066 | 3,782 | 3,847 | 3,706 | 3,703 | 3,607 |
| Public Works | | | | | | | | | | |
| Quality Street Repairs (Lane Miles) | 8 | 6 | - | 59 | 47 | 48 | 47 | 51 | 52 | 60 |
| Pothole Repairs | 24,000 | 23,000 | 7,840 | 5,429 | 6,379 | 5,563 | 3,878 | 4,208 | 3,828 | 17,051 |
| Building and Permits | | | | | | | | | | |
| Residential Construction (Number of Units) | 86 | 67 | 74 | 158 | 101 | 95 | 156 | 129 | 121 | 130 |
| Commercial Construction (Number of Units) | 13 | 7 | 27 | 22 | 14 | 22 | 7 | 13 | 22 | 15 |
| Library | | | | | | | | | | |
| Number of Books (a) | 565,000 | 546,174 | 464,569 | 445,343 | 466,596 | 467,935 | 550,000 | 573,329 | 549,717 | 525,000 |
| Number of Registered Borrowers | 65,296 | 66,964 | 65,535 | 104,791 | 122,875 | 121,076 | 122,405 | 116,031 | 114,197 | 114,802 |
| Municipal Water Distribution System | | | | | | | | | | |
| Number of Consumer Accounts | 48,406 | 48,375 | 48,483 | 48,544 | 48,604 | 48,793 | 48,901 | 49,048 | 49,148 | 49,243 |
| Total Annual Billed (Gallons) | 4,315/MM | 4,390/MM | 4,603/MM | 4,302/MM | 4,188/MM | 4,176/MM | 4,143MM | 4,035/MM | 4,127/MM | 3,968/MM |
| Total Annual Pumpage (Gallons) | 5,684/MM | 6,024/MM | 6,346/MM | 5,940/MM | 5,905/MM | 5,745/MM | 6,073/MM | 6,151/MM | 6,120/MM | 5,865/MM |
| Daily Average Pumpage (Gallons) | 15,573/M | 16,504/M | 17,386/M | 16,274/M | 16,178/M | 15,740/M | 16,639/M | 16,851/M | 16,766/M | 16,069/M |
| Daily Average Per Capita Pumpage (Gallons) | | | | | | | | | | |
| Pumpage (Gallons) | 79 | 83 | 88 | 82 | 81 | 80 | 83 | 84 | 83 | 81 |
| Daily Pumpage Capacity (Gallons) | 40,500/M | 40,500/M | 40,500/M | 40,500/M | 40,500/M | 40,500/M | 40,500/M | 40,500/M | 40,500/M | 40,000/M |

(a) Total number of books includes total audio collection as of 2018.

Data Source

Various City departments

CITY OF AURORA, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

| Function/Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Area Patrols | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Fire | | | | | | | | | | |
| Fire Stations | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Fire Engines (a) | 17 | 17 | 17 | 17 | 19 | 18 | 18 | 18 | 17 | 17 |
| Public Works | | | | | | | | | | |
| Streets (Center Line Miles) | 578 | 578 | 574 | 574 | 573 | 573 | 573 | 580 | 581 | 581 |
| Water | | | | | | | | | | |
| Watermain (Miles) | 755 | 757 | 661 | 666 | 671 | 671 | 763 | 763 | 768 | 749 |
| Daily Storage Capacity (Gallons) | 23,760/M | 23,760/M | 23,760/M | 23,760/M | 23,760/M | 23,760/M | 23,760/M | 17,500/M | 17,500/M | 17,500/M |
| Wastewater | | | | | | | | | | |
| Sanitary Sewers (Miles) | 493 | 496 | 488 | 490 | 505 | 505 | 548 | 499 | 499 | 499 |
| Storm Sewers (Miles) | 682 | 702 | 706 | 712 | 480 | 480 | 480 | 476 | 477 | 479 |

(a) The fire engine total includes the following vehicle types: pumper truck, ladder truck and emergency one custom pumper truck.

Data Source

Various City departments

**ADDITIONAL DISCLOSURES REQUIRED BY
SEC RULE 15c2-12**

2019 DISCLOSURE
Relating to
CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS

\$4,760,000 Refunding Debt Certificates, Series 2006
\$9,660,000 General Obligation Refunding Bonds, Series 2011
\$19,200,000 General Obligation Library Bonds, Series 2012A
\$6,905,000 General Obligation Refunding Bonds, Series 2012B
\$3,095,000 Refunding Debt Certificates, Series 2012D
\$9,565,000 General Obligation Refunding Bonds, Series 2013
\$9,150,000 General Obligation Refunding Bonds, Series 2014
\$6,690,000 General Obligation Refunding Bonds, Series 2015A
\$69,185,000 General Obligation Refunding Bonds, Series 2015C
\$ 16,500,000 General Obligation Bonds, Series 2017
and
\$8,375,000 General Obligation Refunding Bonds, Series 2019A

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENTS DATED

December 19, 2006

October 21, 2011

August 30, 2012

October 4, 2013

August 26, 2014

March 10, 2015

September 22, 2015

May 23, 2017

and

December 10, 2019

Respectively

Retail Activity

1% Retailers' Occupation, Service Occupation, and Use Taxes (1)

| Fiscal Year Ending December 31 | State Sales Tax Distribution (2) | Annual Percent Change + (-) |
|-----------------------------------|-------------------------------------|----------------------------------|
| 2007 | 22,027,898 | -2.89% (3) |
| 2008 | 21,667,726 | -1.64% |
| 2009 | 19,778,567 | -8.72% |
| 2010 | 21,111,296 | 6.74% |
| 2011 | 22,585,797 | 6.98% |
| 2012 | 23,515,202 | 4.11% |
| 2013 | 26,131,417 | 11.13% |
| 2014 | 25,818,960 | -1.20% |
| 2015 | 26,065,090 | 0.95% |
| 2016 | 27,369,717 | 5.01% |
| 2017 | 27,425,298 | 0.20% |
| 2018 | 27,685,031 | 0.95% |
| 2019 | 30,160,082 | 8.94% |
| Growth from 2007 to 2019 | | 36.92% |

- Notes: (1) Source: the City.
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the City. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
 (3) The 2007 percentage is based on a 2006 sales tax of \$22,683,925

PROPERTY ASSESSMENT AND TAX INFORMATION

City Equalized Assessed Valuation (1)

| Property Class | 2014 | 2015 | 2016 | 2017 | 2018 |
|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Residential | \$ 2,183,952,527 | \$ 2,301,415,654 | \$ 2,506,462,747 | \$ 2,694,000,605 | \$ 2,852,649,827 |
| Farm | 1,114,992 | 893,545 | 1,174,284 | 1,213,907 | 1,314,332 |
| Commercial | 558,958,227 | 577,999,166 | 610,843,140 | 641,341,282 | 660,214,403 |
| Industrial | 313,164,349 | 328,234,450 | 349,764,560 | 367,032,495 | 411,775,377 |
| Railroad | 1,565,786 | 1,852,139 | 1,849,079 | 2,047,455 | 2,196,226 |
| Total | <u>3,058,755,881</u> | <u>3,210,394,954</u> | <u>3,470,093,810</u> | <u>3,705,635,744</u> | <u>3,928,150,165</u> |
| Total by County | | | | | |
| Kane County | 1,339,193,214 | 1,412,877,349 | 1,562,830,126 | 1,683,269,869 | 1,808,976,541 |
| DuPage County | 1,418,161,405 | 1,476,693,449 | 1,570,352,343 | 1,671,526,578 | 1,748,265,661 |
| Kendall County | 94,389,348 | 99,141,936 | 105,785,442 | 114,055,357 | 126,642,643 |
| Will County | 207,011,914 | 221,702,220 | 231,125,899 | 236,783,940 | 244,265,320 |
| Total | <u>3,058,755,881</u> | <u>3,210,414,954</u> | <u>3,470,093,810</u> | <u>3,705,635,744</u> | <u>3,928,150,165</u> |
| Percent Change (2) | -0.33% | 4.96% | 8.09% | 6.79% | 6.00% |

- Notes: (1) Source: Offices of the Kane, DuPage, Kendall and Will County Clerks.
 (2) Percentage change is based on 2013 EAV of \$3,068,739,066.

Kane County Representative Tax Rates (1)
(Per \$100 EAV)

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| The City: | | | | | |
| General | \$ 1.3374 | \$ 1.3187 | \$ 1.2199 | \$ 1.1425 | \$ 1.0639 |
| I.M.R.F. | 0.1138 | 0.1027 | 0.1023 | 0.1081 | 0.1020 |
| Police Pension | 0.3664 | 0.3531 | 0.3630 | 0.3842 | 0.3850 |
| Firefighters' Pension | 0.3138 | 0.2942 | 0.2912 | 0.3044 | 0.3025 |
| Bonds and Interest | 0.1321 | 0.1258 | 0.1164 | 0.1090 | 0.1018 |
| Library | 0.2864 | 0.2942 | 0.2911 | 0.2887 | 0.3730 |
| Prior Period Adjustment | - | (0.0004) | 0.0001 | 0.0003 | (0.0000) |
| Total City Rates (2) | <u>\$ 2.5499</u> | <u>\$ 2.4883</u> | <u>\$ 2.3840</u> | <u>\$ 2.3372</u> | <u>\$ 2.3281</u> |
| Kane County | 0.4684 | 0.4479 | 0.4201 | 0.4025 | 0.3739 |
| Kane County Forest Preserve | 0.3126 | 0.2944 | 0.2253 | 0.1658 | 0.1549 |
| Aurora Township | 0.2602 | 0.2478 | 0.2261 | 0.2163 | 0.2107 |
| Aurora Township Road Funds | 0.1141 | 0.1084 | 0.1004 | 0.0961 | 0.0887 |
| Fox Valley Park District | 0.6307 | 0.5999 | 0.5590 | 0.5322 | 0.4916 |
| Unit School District 129 | 6.8578 | 6.5898 | 6.1478 | 5.9882 | 5.6274 |
| Community College-District 516 | 0.5954 | 0.5875 | 0.5607 | 0.5533 | 0.5377 |
| Total Tax Rates (3) | <u>\$ 11.7891</u> | <u>\$ 11.3640</u> | <u>\$ 10.6234</u> | <u>\$ 10.2917</u> | <u>\$ 9.8129</u> |

- Notes: (1) Source: Kane County Clerk's Office and the City.
(2) The City is a home-rule municipality and, based on the 1970 Illinois Constitution, has no statutory tax rate limits.
(3) Representative tax rates for other government units are from Aurora Township tax code 5, which represents the largest portion of the City's 2018 EAV in Kane County.

DuPage County Representative Tax Rates (1)
(Per \$100 EAV)

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| The City: | | | | | |
| General | \$ 1.3506 | \$ 1.3317 | \$ 1.2333 | \$ 1.1540 | \$ 1.0740 |
| Bond & Interest | 0.1321 | 0.1259 | 0.1165 | 0.1091 | 0.1029 |
| I.M.R.F. | 0.1150 | 0.1037 | 0.1035 | 0.1093 | 0.1210 |
| Police Pension | 0.3700 | 0.3566 | 0.3671 | 0.3882 | 0.3888 |
| Firefighters' Pension | 0.3169 | 0.2972 | 0.2943 | 0.3076 | 0.3056 |
| Library | 0.2864 | 0.2943 | 0.2912 | 0.2888 | 0.2867 |
| Total City Rates (2) | <u>\$ 2.5710</u> | <u>\$ 2.5094</u> | <u>\$ 2.4059</u> | <u>\$ 2.3570</u> | <u>\$ 2.2790</u> |
| DuPage County | 0.2057 | 0.1971 | 0.1848 | 0.1749 | 0.1673 |
| DuPage County Forest Preserve | 0.1691 | 0.1622 | 0.1514 | 0.1306 | 0.1278 |
| Naperville Township | 0.0413 | 0.0452 | 0.0435 | 0.0426 | 0.0424 |
| Naperville Township Road Funds | 0.0247 | 0.0286 | 0.0350 | 0.0343 | 0.0341 |
| Fox Valley Park District | 0.6331 | 0.6014 | 0.5627 | 0.5307 | 0.4913 |
| Unit School District 204 | 6.0210 | 5.8505 | 5.6004 | 5.4967 | 5.4589 |
| Community College-District 502 | 0.2975 | 0.2786 | 0.2626 | 0.2431 | 0.2317 |
| Total Tax Rates (3) | <u>\$ 9.9634</u> | <u>\$ 9.6730</u> | <u>\$ 9.2463</u> | <u>\$ 9.0099</u> | <u>\$ 8.8325</u> |

- Notes: (1) Source: DuPage County Clerk and the City.
(2) The City is a home-rule municipality and based on the 1970 Illinois Constitution has no statutory tax rate limits.
(3) Representative tax rates for other government units are from Naperville Township tax code 7045, which represents the largest portion of the City's 2018 EAV in DuPage County.

Will County Representative Tax Rates (1)
(Per \$100 EAV)

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|
| The City: | | | | | |
| Total City Rates (2) | \$2.5646 | \$2.4937 | \$2.3876 | \$2.3397 | \$2.2637 |
| Will County | 0.6210 | 0.6140 | 0.6121 | 0.5986 | 0.5927 |
| Will County Building Commission | 0.0223 | 0.0218 | 0.0026 | 0.0000 | 0.0000 |
| Will County Forest Preserve | 0.1977 | 0.1937 | 0.1944 | 0.1895 | 0.1504 |
| Wheatland Township | 0.0274 | 0.0245 | 0.0232 | 0.0232 | 0.0232 |
| Wheatland Township Road & Bridge | 0.0419 | 0.0476 | 0.0458 | 0.0458 | 0.0467 |
| City of Aurora SSA 34-X | 0.4654 | 0.4418 | 0.0000 | 0.0000 | 0.0000 |
| Fox Valley Park District | 0.6312 | 0.5983 | 0.5600 | 0.5292 | 0.4902 |
| School District 308-U | 7.9505 | 7.4166 | 6.9636 | 6.7920 | 6.8313 |
| Community College District 516 | 0.5988 | 0.5880 | 0.5645 | 0.5470 | 0.5425 |
| Total Rates | <u>\$13.1208</u> | <u>\$12.4400</u> | <u>\$11.3538</u> | <u>\$11.0650</u> | <u>\$10.9407</u> |

- Notes: (1) Source: Will County Clerk's Office and the City.
(2) The City is a home-rule municipality and, based on the 1970 Illinois Constitution, has no statutory tax rate limits.
(3) Representative tax rates for other government units are from Wheatland Township tax code 0751, which represents the largest portion of the City's 2018 EAV in Will County.

City Tax Extensions and Collections
(Includes Road and Bridge Levy, Excludes Library)

| Levy Year | Coll. Year | Taxes Extended (1) | Current Collections | | Total Collections | |
|-----------|------------|--------------------|---------------------|---------|-------------------|---------|
| | | | Amount (2) | Percent | Amount (3) | Percent |
| 2007 | 2008 | 67,328,337 | 67,176,454 | 99.77% | 67,179,966 | 99.78% |
| 2008 | 2009 | 69,106,548 | 68,721,377 | 99.44% | 69,183,939 | 100.11% |
| 2009 | 2010 | 70,028,262 | 69,894,824 | 99.81% | 69,917,907 | 99.84% |
| 2010 | 2011 | 68,267,554 | 68,101,873 | 99.76% | 68,130,999 | 99.80% |
| 2011 | 2012 | 64,434,095 | 64,036,650 | 99.38% | 64,037,326 | 99.38% |
| 2012 | 2013 | 65,940,316 | 65,608,129 | 99.50% | 65,718,026 | 99.66% |
| 2013 | 2014 | 66,594,981 | 66,279,363 | 99.53% | 66,280,564 | 99.53% |
| 2014 | 2015 | 70,140,051 | 69,958,740 | 99.74% | 69,958,740 | 99.74% |
| 2015 | 2016 | 71,349,052 | 71,193,237 | 99.78% | 71,193,238 | 99.78% |
| 2016 | 2017 | 73,653,612 | 73,469,705 | 99.75% | 73,471,019 | 99.75% |
| 2017 | 2018 | 76,969,318 | 76,755,817 | 99.72% | 76,755,817 | 99.72% |

- Notes: (1) "Taxes Extended" have been adjusted for abatements and Township Road and Bridge.
(2) "Current Collections" in both Kane and DuPage Counties include taxes paid under protest.
(3) "Total Collections" include back taxes, penalties, etc.

Principal City Taxpayers (1)

| | | | |
|-------------|--|----------------------|-----------------------|
| Kane | Simon/Chelsea Chicago Development, LLC | Shopping Center | \$ 72,481,374 |
| DuPage/Kane | Liberty Illinois LP | Real Estate | 37,863,093 |
| DuPage | Real Estate Tax Advisors | Real Estate | 35,400,750 |
| DuPage | Fox Valley Mall LLC (3) | Shopping Center | 30,822,220 |
| Kane | Chicago Premium Outlets Expansion LLC | Outlet Mall | 21,654,069 |
| DuPage | TGM Chesapeake Inc. (4) | Apartments | 18,998,100 |
| DuPage | JVM Aventine Aprtments (5) | Residential Property | 18,717,880 |
| DuPage | Cyrusonellc | Real Estate | 14,581,960 |
| Kane | SSIL Fox Valley LLC (6) | Apartments | 14,101,790 |
| Kane | LIT Industrial LP | Real Estate | 13,210,686 |
| | Total | | \$ 277,831,922 |

Ten Largest Taxpayers as Percent of City's 2018 EAV (\$3,928,150,165) 7.07%

- Notes: (1) Source: DuPage and Kane Counties. Kendall and Will Counties have been excluded since they consist of approximately 9% of the City's 2018 EAV.
- (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2018 EAV is the most current available.
- (3) Previously Westfield Shoppingtown.
- (4) Previously AIMCO.
- (5) Previously AMFP II Oakhurst North.
- (6) Previously Fox Valley Villages LLC.

House Building Permits Issued – Special Service Area 34

| Year | Permits |
|------|---------|
| 2009 | 1 |
| 2010 | 0 |
| 2011 | 0 |
| 2012 | 0 |
| 2013 | 0 |
| 2014 | 0 |
| 2015 | 0 |
| 2016 | 25 |
| 2017 | 0 |
| 2018 | 0 |
| 2019 | 0 |

Special Service Area Number 34 Valuation (1)

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Total Equalized Assessed Valuation | \$242,806,963 | \$260,020,392 | \$170,419,015 | \$108,669,435 | \$118,454,870 |

Note: (1) Source: Kendall and Will Counties.

DEBT INFORMATION

General Obligation Debt Summary – By Issue (1,2)
(Principal Only)

| <u>Issue</u> | <u>Outstanding Principal</u> |
|-----------------------------------|----------------------------------|
| Series 2011 (4) | \$ 525,000 |
| Series 2012A (4) | 17,420,000 |
| Series 2012B (3) | 3,120,000 |
| Series 2013 (3) | 8,120,000 |
| Series 2014 (3) | 4,820,000 |
| Series 2015A (3) | 6,690,000 |
| Series 2015C (3) (4) | 60,810,000 |
| Series 2017 (3) | 15,125,000 |
| Series 2019A (3) | 7,645,000 |
| Subtotal | <u>124,275,000</u> |
| Less self-supporting debt | <u>(43,605,000)</u> |
| Total property tax supported debt | <u><u>\$ 80,670,000</u></u> |

Notes: (1) Source: the City.

(2) As of December 31, 2019.

(3) Expected to be abated, in whole or in part, by the application of real estate transfer taxes, home-rule sales taxes, gaming taxes, stormwater management fees, water and sewer service fees, developer contributions, and other sources.

(4) A portion, \$50,275,000, of Series 2015C is property tax supported. All of Series 2011, 2012A and 2017 is property tax supported.

City General Obligation Bonds (1)
(Principal Only)

| Due Dec. 30 | Series 2011 (2) | Series 2012A | Series 2012B(2) | Series 2013 (2) | Series 2014 | Series 2015A | Series 2015C |
|----------------|--------------------|----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| 2020 | 330,000 | 290,000 | 595,000 | 1,250,000 | - | - | 2,395,000 |
| 2021 | 95,000 (5) | 540,000 | 605,000 | 1,285,000 | - | - | 2,480,000 |
| 2022 | 100,000 (5) | 550,000 | 625,000 (5) | 1,330,000 | - | - | 2,560,000 |
| 2023 | - | 660,000 | 640,000 (5) | 1,375,000 | - | - | 2,640,000 |
| 2024 | - | 675,000 | 655,000 | 1,415,000 | - | - | 2,715,000 |
| 2025 | - | 690,000 | - | 1,465,000 | - | - | 2,785,000 |
| 2026 | - | 710,000 | - | - | 1,580,000 | - | 2,860,000 |
| 2027 | - | 725,000 | - | - | 775,000 | - | 2,945,000 |
| 2028 | - | 745,000 | - | - | 800,000 | - | 3,025,000 |
| 2029 | - | 760,000 | - | - | 820,000 | - | 3,110,000 |
| 2030 | - | 780,000 | - | - | 845,000 | - | 3,200,000 |
| 2031 | - | 805,000 | - | - | - | 1,015,000 | 3,305,000 |
| 2032 | - | 825,000 | - | - | - | 1,055,000 | 3,420,000 |
| 2033 | - | 850,000 | - | - | - | 1,085,000 | 3,545,000 |
| 2034 | - | 875,000 | - | - | - | 1,130,000 | 3,675,000 |
| 2035 | - | 900,000 | - | - | - | 1,180,000 | 3,810,000 |
| 2036 | - | 925,000 | - | - | - | 1,225,000 | 3,955,000 |
| 2037 | - | 955,000 | - | - | - | - | 4,110,000 |
| 2038 | - | 990,000 | - | - | - | - | 4,275,000 |
| 2039 | - | 1,020,000 | - | - | - | - | - |
| 2040 | - | 1,055,000 | - | - | - | - | - |
| 2041 | - | 1,095,000 | - | - | - | - | - |
| | <u>\$ 525,000</u> | <u>\$ 17,420,000</u> | <u>\$ 3,120,000</u> | <u>\$ 8,120,000</u> | <u>\$ 4,820,000</u> | <u>\$ 6,690,000</u> | <u>\$ 60,810,000</u> |

| Due Dec. 30 | Series 2017 | Series 2019A | Total Debt | Amount | Percent |
|----------------|----------------------|---------------------|-----------------------|-------------|---------|
| 2020 | 710,000 | 1,400,000 | 6,970,000 | 6,970,000 | 5.61% |
| 2021 | 725,000 | 1,470,000 | 7,200,000 | 14,170,000 | 11.40% |
| 2022 | 740,000 | 1,525,000 | 7,430,000 | 21,600,000 | 17.38% |
| 2023 | 755,000 | 1,595,000 | 7,665,000 | 29,265,000 | 23.55% |
| 2024 | 775,000 | 1,655,000 | 7,890,000 | 37,155,000 | 29.90% |
| 2025 | 795,000 | - | 5,735,000 | 42,890,000 | 34.51% |
| 2026 | 820,000 | - | 5,970,000 | 48,860,000 | 39.32% |
| 2027 | 845,000 | - | 5,290,000 | 54,150,000 | 43.57% |
| 2028 | 870,000 | - | 5,440,000 | 59,590,000 | 47.95% |
| 2029 | 895,000 | - | 5,585,000 | 65,175,000 | 52.44% |
| 2030 | 925,000 | - | 5,750,000 | 70,925,000 | 57.07% |
| 2031 | 955,000 | - | 6,080,000 | 77,005,000 | 61.96% |
| 2032 | 990,000 | - | 6,290,000 | 83,295,000 | 67.02% |
| 2033 | 1,025,000 | - | 6,505,000 | 89,800,000 | 72.26% |
| 2034 | 1,060,000 | - | 6,740,000 | 96,540,000 | 77.68% |
| 2035 | 1,100,000 | - | 6,990,000 | 103,530,000 | 83.31% |
| 2036 | 1,140,000 | - | 7,245,000 | 110,775,000 | 89.14% |
| 2037 | - | - | 5,065,000 | 115,840,000 | 93.21% |
| 2038 | - | - | 5,265,000 | 121,105,000 | 97.45% |
| 2039 | - | - | 1,020,000 | 122,125,000 | 98.27% |
| 2040 | - | - | 1,055,000 | 123,180,000 | 99.12% |
| 2041 | - | - | 1,095,000 | 124,275,000 | 100.00% |
| | <u>\$ 15,125,000</u> | <u>\$ 7,645,000</u> | <u>\$ 124,275,000</u> | | |

- Notes: (1) Source: the City.
(2) Expected to be abated, in whole or in part, by the application of real estate transfer taxes, home-rule sales taxes, gaming taxes, stormwater management fees, water and sewer fees, developer contribution, and other sources.
(3) Term due December 30, 2021.
(4) Term due December 30, 2024.
(5) Term due December 30, 2022.

Detailed Overlapping Bonded Debt (1)

| | Outstanding Debt | Applicable to City | |
|--|---------------------|--------------------|------------------------------|
| | | Percent (2) | Amount |
| Schools: | | | |
| School District Number 101 | \$ 52,965,000 | 19.11% | \$ 10,120,245 |
| School District Number 129 | 132,668,000 | 51.13% | 67,839,606 |
| School District Number 131 | 112,181,282 | 86.73% | 97,292,233 |
| School District Number 200 | 125,275,000 | 0.58% | 724,154 |
| School District Number 204 | 178,925,000 | 31.51% | 56,378,535 |
| School District Number 302 | 75,380,788 | 3.64% | 2,743,368 |
| School District Number 308 | 290,728,062 | 1.19% | 3,447,799 |
| Community College Number 502 | 200,635,000 | 4.23% | 8,492,188 |
| Community College Number 516 | 52,510,000 | 18.59% | 9,759,086 |
| Total Schools: | | | <u>\$ 256,797,214</u> |
| Other: | | | |
| DuPage County | \$ 143,280,000 | 4.38% | \$ 6,268,710 |
| Kane County | 28,140,000 | 12.63% | 3,553,068 |
| DuPage County Forest Preserve District | 102,721,129 | 4.38% | 4,494,200 |
| Kane County Forest Preserve District | 144,415,000 | 12.63% | 18,234,411 |
| Fox Valley Park District | 28,700,000 | 72.36% | 20,766,261 |
| Batavia Park District | 688,880 | 7.30% | 50,309 |
| Naperville Park District | 29,690,000 | 1.97% | 583,546 |
| Total Other | | | <u>\$ 53,950,505</u> |
| Total Schools and Other Overlapping Bonded Debt: | | | <u><u>\$ 310,747,719</u></u> |

- Notes: (1) Source: DuPage and Kane Counties. Kendall and Will Counties have been excluded since they consist of approximately 9% of the City's 2018 EAV. Includes alternate revenue source bonds.
(2) Percentages are based on 2018 EAV, the most recent available.

Statement of Bonded Indebtedness (1)

| | Amount Applicable | Ratio To | | Per Capita (2010 Pop. 197,899) |
|--|-------------------|-----------------------|---------------------|--------------------------------------|
| | | Equalized Assessed | Estimated Actual | |
| City EAV of Taxable Property, 2018 | \$ 3,928,150,165 | 100.00% | 33.33% | \$ 19,849.27 |
| Estimated Actual Value, 2018 | \$ 11,784,450,495 | 300.00% | 100.00% | \$ 59,547.80 |
| Direct Bonded Debt (2) | \$ 131,160,000 | 3.34% | 1.11% | \$ 662.76 |
| Paid From Non-Property Tax Sources | (43,605,000) | -1.11% | -0.37% | (220.34) |
| Net Direct Debt (2) | \$ 87,555,000 | 2.23% | 0.74% | \$ 442.42 |
| Overlapping Bonded Debt: | | | | |
| Schools | \$ 256,797,214 | 6.54% | 2.18% | \$ 1,297.62 |
| Other | 53,950,505 | 1.37% | 0.46% | 272.62 |
| Total Overlapping Bonded Debt | \$ 310,747,719 | 7.91% | 2.64% | \$ 1,570.24 |
| Total Direct and Overlapping Bonded Debt (2) | \$ 398,302,719 | 10.14% | 3.38% | \$ 2,012.66 |

Notes: (1) Source: Kane and DuPage County Clerks.
(2) Does not include water and sewer revenue bonds and the debt certificates. Includes the Bonds and excludes the Refunded Bonds.

**Special Service Area 34
Installment Contract and Debt Certificates (1)
(Principal Only)**

| Calendar Year | Series 2006 Due Dec. 30 | Series 2012D Due Dec. 30 | Total Debt | Cumulative Principal to be Retired | |
|------------------|----------------------------|-----------------------------|------------|---------------------------------------|---------|
| | | | | Amount | Percent |
| 2020 | - | 395,000 | 395,000 | 395,000 | 100.00% |
| Total | \$ - | \$ 395,000 | \$ 395,000 | | |

FINANCIAL INFORMATION

**Statement of Net Position
Government Activities**

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------------|------------------------|------------------------|---------------------|------------------------|
| Assets and Deferred Outflows: | | | | | |
| Cash and Investments | \$ 128,319,319 | \$ 119,791,210 | \$ 142,005,317 | \$ 143,052,231 | \$ 141,263,746 |
| Receivables, Net of Allowance: | | | | | |
| Property Taxes: | | | | | |
| General and Pension Levies | 70,294,851 | 72,446,814 | 75,680,550 | 76,608,180 | 80,196,757 |
| Special Service Area Levies | 1,375,409 | 794,477 | 722,860 | 646,625 | 796,820 |
| Other Taxes | 18,371,272 | 17,686,886 | 15,676,397 | 16,237,643 | 17,351,028 |
| Loans Receivable | 305,733 | 245,079 | 161,665 | 128,484 | 3,028,611 |
| Rental Fees | - | - | - | - | - |
| Miscellaneous | 2,954,317 | 2,448,186 | 3,287,205 | 3,826,835 | 6,662,052 |
| Deferred Charges/Prepaid Expenses | - | - | - | - | - |
| Due From Other Governments | 4,110,062 | 5,498,095 | 5,881,143 | 3,630,017 | 4,068,604 |
| Internal Balances | - | (10,434) | (31) | (150) | (165) |
| Due to/from Other Funds | - | - | - | - | - |
| Property Held for Resale | - | 386,406 | 386,406 | 386,406 | 386,406 |
| Prepaid Items | 278,089 | 89,638 | 62,492 | 24,048 | 29,177 |
| Restricted Assets: | | | | | |
| Restricted Cash and Investments | - | - | - | - | - |
| Capital Assets: | | | | | |
| Non-Depreciable | 163,596,501 | 169,290,029 | 160,235,857 | 169,507,698 | 192,184,777 |
| Depreciable (Net of Accumulated Depreciation) | 364,666,206 | 360,321,656 | 364,759,506 | 355,239,534 | 343,853,447 |
| Deferred Outflows: | | | | | |
| Unamortized Loss of Refunding | 2,251 | 709,623 | 612,736 | 521,084 | 511,565 |
| Pension Items | 42,586,859 | 181,655,676 | 184,078,324 | 187,680,152 | 203,457,774 |
| Total Assets and Deferred Outflows | <u>796,860,869</u> | <u>931,353,341</u> | <u>953,550,427</u> | <u>957,488,787</u> | <u>993,790,599</u> |
| Liabilities and Deferred Inflows: | | | | | |
| Accounts Payable | 10,145,430 | 10,837,575 | 10,176,828 | 10,997,279 | 11,679,145 |
| Accrued Payroll | 7,177,247 | 8,112,380 | 8,899,984 | 10,439,112 | 9,262,216 |
| Retainage Payable | 417,815 | 562,036 | 770,888 | 431,876 | 546,522 |
| Accrued Interest Payable | 545,577 | - | - | - | 13,983 |
| Line of Credit | - | - | - | - | 14,995,408 |
| Other Unearned Revenue | 6,825,345 | 4,760,091 | 6,790,725 | 6,640,712 | 8,876,165 |
| Due to Fiduciary Funds | - | - | - | 37,909 | - |
| Due to Other Governments | 3,629,314 | 1,025,046 | 1,065,335 | 1,207,063 | 223,467 |
| Due to Component Unit | 491,674 | 939 | - | 30,889 | 1,708 |
| Deposits Payable | 1,540,547 | 1,702,050 | 2,346,907 | 2,182,111 | 2,424,285 |
| Noncurrent Liabilities: | | | | | |
| Due Within One Year | 10,389,791 | 10,373,901 | 15,667,548 | 15,082,082 | 8,395,013 |
| Due in More Than One Year | 633,906,100 | 899,491,493 | 883,187,191 | 780,260,419 | 836,093,681 |
| Deferred Inflows: | | | | | |
| Deferred Property Taxes | 71,670,165 | 73,241,196 | 76,327,175 | 77,254,805 | 80,906,024 |
| Unamortized Gain on Refunding | - | 773,456 | 737,481 | 701,506 | 665,532 |
| OPEB Items | - | 486,120 | 3,382,522 | 26,215,226 | 24,198,757 |
| Pension Items - IMRF | - | - | - | 14,809,852 | 4,928,377 |
| Pension Items - Pension Trust Funds | - | 4,215,576 | 22,011,008 | 11,534,349 | 31,629,931 |
| Total Liabilities and Deferred Inflows | <u>746,739,005</u> | <u>1,015,581,859</u> | <u>1,031,363,592</u> | <u>957,825,190</u> | <u>1,034,840,214</u> |
| Net Position: | | | | | |
| Investment in Capital Assets, Net of Related Debt | 403,321,914 | 407,653,041 | 399,174,599 | 401,626,704 | 420,731,808 |
| Restricted For: | | | | | |
| Working Cash | 442,911 | 443,811 | 446,786 | 454,066 | 463,739 |
| Economic Development | 20,096,753 | 17,472,952 | 16,100,578 | 11,792,202 | 8,859,455 |
| Streets and Transportation | 10,399,505 | 9,871,656 | 11,602,498 | 12,033,698 | 11,745,566 |
| Public Safety | 16,607,525 | 14,807,576 | 14,470,871 | 12,507,571 | 14,517,878 |
| Health and Welfare | 5,473,112 | 5,248,339 | 5,445,635 | 8,306,041 | 7,443,193 |
| Debt Service | 1,424,768 | 3,393,273 | 984,521 | 1,559,122 | 3,054,307 |
| Unrestricted | (407,644,624) | (543,119,166) | (530,292,478) | (448,615,807) | (507,865,561) |
| Total Net Position | <u>\$ 50,121,864</u> | <u>\$ (84,228,518)</u> | <u>\$ (82,066,990)</u> | <u>\$ (336,403)</u> | <u>\$ (41,049,615)</u> |

Governmental Activities

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---------------------------------|----------------------|------------------------|------------------------|----------------------|------------------------|
| Governmental Activities: | | | | | |
| Net Function (Expense) Revenue: | | | | | |
| General Government | \$ (19,288,765) | \$ (26,241,797) | \$ (13,646,813) | \$ (14,985,367) | \$ (13,124,988) |
| Public Safety | (136,483,888) | (152,618,872) | (122,640,229) | (60,597,412) | (168,819,485) |
| Streets and Transportation | (21,143,666) | (16,360,629) | (20,669,577) | (14,533,714) | (26,975,074) |
| Health and Welfare | 3,882,337 | 1,276,459 | (667,981) | 6,956,692 | 1,921,671 |
| Culture and Recreation | (6,429,777) | (7,255,364) | (4,133,895) | (5,404,827) | (6,608,225) |
| Economic Development | (7,223,572) | (5,869,862) | (4,308,411) | (11,375,829) | (29,317,749) |
| Interest | (7,931,513) | (4,546,014) | (4,609,547) | (4,701,115) | (4,555,620) |
| Total Governmental Activities | <u>(194,618,844)</u> | <u>(211,616,079)</u> | <u>(170,676,453)</u> | <u>(104,641,572)</u> | <u>(247,479,470)</u> |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property and Replacement | 76,732,296 | 77,571,783 | 82,218,221 | 85,304,883 | 87,706,136 |
| Sales | 44,975,558 | 47,654,497 | 46,094,186 | 46,685,525 | 50,049,603 |
| Utility | 10,450,537 | 10,045,361 | 10,302,895 | 13,374,124 | 13,800,971 |
| Income | 21,057,086 | 19,264,287 | 18,176,859 | 18,952,010 | 21,064,181 |
| Real Estate Transfer | 2,414,294 | 3,144,487 | 2,891,464 | 3,104,624 | 2,934,406 |
| Food and Beverage | 4,610,988 | 4,806,070 | 4,739,599 | 4,979,496 | 5,175,977 |
| Gaming | 7,429,116 | 7,438,631 | 7,382,230 | 7,290,134 | 7,180,274 |
| Hotel/Motel | 531,391 | 569,604 | 541,994 | 541,092 | 496,223 |
| Other | 1,068,073 | 2,856,724 | 3,013,646 | 3,072,687 | 3,101,322 |
| Investment Income | 337,939 | 564,824 | 1,007,063 | 2,135,884 | 2,482,088 |
| Miscellaneous | 1,455,786 | 1,281,160 | 1,546,656 | 1,381,700 | 3,865,077 |
| Transfers | (4,176,392) | (2,765,373) | (5,076,832) | (450,000) | 8,910,000 |
| Total General Revenues | <u>166,886,672</u> | <u>172,432,055</u> | <u>172,837,981</u> | <u>186,372,159</u> | <u>206,766,258</u> |
| Change in Position | (27,732,172) | (39,184,024) | 2,161,528 | 81,730,587 | (40,713,212) |
| Net Position, Beginning | 400,323,430 | 50,121,864 | (84,228,518) | (82,066,990) | (336,403) |
| Change in Accounting Principle | (322,469,394) | (95,166,358) | - | - | - |
| Net Position, Ending | <u>\$ 50,121,864</u> | <u>\$ (84,228,518)</u> | <u>\$ (82,066,990)</u> | <u>\$ (336,403)</u> | <u>\$ (41,049,615)</u> |

**General Fund
Balance Sheet**

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assets: | | | | | |
| Cash and Investments | \$ 18,695,661 | \$ 16,935,512 | \$ 25,597,212 | \$ 27,195,774 | \$ 31,536,588 |
| Receivables: | | | | | |
| Property Taxes | 66,334,851 | 68,486,814 | 71,720,550 | 72,648,180 | 76,236,757 |
| Due From Other Governments | 113,700 | 186,571 | 136,304 | 162,129 | 418,598 |
| Other Taxes | 17,091,089 | 16,092,595 | 13,476,908 | 14,887,033 | 16,453,756 |
| Other Receivables | 8,908 | 186,920 | 202,369 | 1,205,865 | 1,189,850 |
| Due from Other Funds | 1,570,000 | 1,866,976 | 10,058 | 12,637 | - |
| Prepaid Items | 276,689 | 10,970 | 17,713 | 15,432 | 27,727 |
| Total Assets | \$ 104,090,898 | \$ 103,766,358 | \$ 111,161,114 | \$ 116,127,050 | \$ 125,863,276 |
| Liabilities and Equity: | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | \$ 2,245,992 | \$ 2,496,000 | \$ 2,603,502 | \$ 3,701,122 | \$ 3,469,992 |
| Accrued Payroll | 7,123,310 | 7,957,287 | 8,843,284 | 10,393,581 | 9,130,410 |
| Deposits Payable | 1,540,547 | 1,701,200 | 2,346,157 | 2,181,361 | 2,423,535 |
| Due to Other Governments | 3,261,559 | 891,619 | 944,014 | 1,107,934 | 134,894 |
| Due to Component Unit | - | 939 | - | 30,889 | 1,708 |
| Unearned Revenue | 681,063 | 696,427 | 766,718 | 1,495,359 | 857,485 |
| Due to Other Funds | - | - | - | 37,909 | 165 |
| Deferred Inflows: | | | | | |
| Unavailable Revenue - Property Taxes | 66,334,851 | 68,486,814 | 71,720,550 | 72,648,180 | 76,181,391 |
| Fund Balances: | | | | | |
| Nonspendable | 276,689 | 10,970 | 17,713 | 15,432 | 27,727 |
| Assigned | 249,425 | 3,777,523 | 781,563 | 729,974 | 1,051,197 |
| Unassigned | 22,377,462 | 17,747,579 | 23,137,613 | 23,785,309 | 32,584,772 |
| Total Liabilities, Deferred Inflows, and Fund Equity | \$ 104,090,898 | \$ 103,766,358 | \$ 111,161,114 | \$ 116,127,050 | \$ 125,863,276 |

**General Fund
Revenues and Expenditures**

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues: | | | | | |
| Property Tax | \$ 65,921,856 | \$ 67,157,953 | \$ 69,433,540 | \$ 72,718,135 | \$ 73,842,794 |
| Replacement Tax | 3,698,254 | 3,695,650 | 4,457,717 | 3,528,702 | 4,506,234 |
| Sales Tax | 39,326,550 | 37,350,163 | 37,070,893 | 40,821,307 | 45,699,097 |
| State Income Tax | 21,057,086 | 19,264,287 | 18,176,859 | 18,952,010 | 21,064,181 |
| Utility Tax | 10,450,537 | 10,045,361 | 10,302,895 | 13,374,124 | 13,800,970 |
| Food and Beverage Tax | 4,610,988 | 4,806,070 | 4,739,599 | 4,979,496 | 5,175,977 |
| Other Taxes | 531,391 | 569,604 | 569,604 | 1,580,938 | 1,537,378 |
| Other Governmental Sources | 506,460 | 416,582 | 477,132 | 1,096,804 | 1,318,474 |
| Licenses, Permits, Fees and Fines | 12,963,678 | 13,380,774 | 12,884,767 | 11,634,045 | 13,516,187 |
| Charges for Services | 5,319,186 | 5,632,737 | 5,585,762 | 6,065,140 | 6,547,957 |
| Investment Income | 7,116 | 54,448 | 197,311 | 511,263 | 510,400 |
| All Other | 195,574 | 214,855 | 315,026 | 317,441 | 407,800 |
| Total Revenues | <u>164,588,676</u> | <u>162,588,484</u> | <u>164,211,105</u> | <u>175,579,405</u> | <u>187,927,449</u> |
| Expenditures: | | | | | |
| General Government | 20,762,604 | 22,168,306 | 21,197,100 | 25,788,179 | 24,376,617 |
| Public Safety | 118,999,245 | 119,279,018 | 117,675,069 | 124,367,664 | 131,433,919 |
| Streets and Transportation | 11,638,212 | 11,161,335 | 10,520,251 | 12,042,494 | 11,760,544 |
| Health and Welfare | 7,532,405 | 7,433,114 | 7,746,640 | 7,220,161 | 6,470,162 |
| Culture and Recreation | 4,165,134 | 4,195,500 | 3,913,149 | 4,493,270 | 5,736,956 |
| Economic Development | 784,583 | 743,715 | 608,079 | 1,073,811 | 1,916,270 |
| Total Expenditures | <u>163,882,183</u> | <u>164,980,988</u> | <u>161,660,288</u> | <u>174,985,579</u> | <u>181,694,468</u> |
| Excess of Revenues Over/(Under) | | | | | |
| Expenditures | 706,493 | (2,392,504) | 2,550,817 | 593,826 | 6,232,981 |
| Other Financing Sources: | | | | | |
| Transfers In | - | 2,500,000 | 1,500,000 | 1,500,000 | 2,900,000 |
| Transfers Out | (650,000) | (1,475,000) | (1,650,000) | (1,500,000) | |
| Total Other Financing Sources | <u>(650,000)</u> | <u>(1,475,000)</u> | <u>(150,000)</u> | <u>-</u> | <u>2,900,000</u> |
| Net Change | | | | | |
| in Fund Balance | 56,493 | (1,367,504) | 2,400,817 | 593,826 | 9,132,981 |
| Fund Balance-January 1 | 22,847,083 | 22,903,576 | 21,536,072 | 23,936,889 | 24,530,715 |
| Fund Balance - December 31 | <u>\$ 22,903,576</u> | <u>\$ 21,536,072</u> | <u>\$ 23,936,889</u> | <u>\$ 24,530,715</u> | <u>\$ 33,663,696</u> |

**General Fund
Budget Financial Information**

| | Budget Twelve Months Ending 12/31/20 |
|-------------------------------------|---|
| | |
| Revenues: | |
| Property Tax | \$ 76,956,700 |
| Replacement Tax | 3,923,000 |
| Sales Tax | 42,555,000 |
| State Income Tax | 21,200,000 |
| Utility Tax | 15,877,000 |
| Food and Beverage Tax | 5,165,000 |
| Other Taxes | 1,648,000 |
| Other Governmental Sources | 2,420,400 |
| Licenses, Permits, Fees and Fines | 11,690,976 |
| Charges for Services | 11,149,700 |
| Investment Income | 312,601 |
| All Other | 1,601,000 |
| Total Revenues | 194,499,377 |
| Expenditures: | |
| General Government | 30,799,786 |
| Public Safety | 141,273,707 |
| Streets and Transportation | 10,318,199 |
| Health and Welfare | 1,882,579 |
| Culture and Recreation | 6,225,245 |
| Economic Development | 5,084,656 |
| Total Expenditures | 195,584,172 |
| Excess of Revenues Over (Under) | |
| Expenditures | \$ (1,084,795) |

OTHER TAXES

| Year | Home Rule Sales Tax | Real Estate Transfer Tax |
|------|------------------------|-----------------------------|
| 2009 | 16,615,628 | 1,263,351 |
| 2010 | 17,840,671 | 1,352,542 |
| 2011 | 18,641,583 | 1,396,683 |
| 2012 | 18,841,729 | 1,921,008 |
| 2013 | 19,295,817 | 2,099,460 |
| 2014 | 19,285,653 | 2,032,012 |
| 2015 | 19,526,474 | 2,414,294 |
| 2016 | 20,662,897 | 3,144,487 |
| 2017 | 18,898,888 | 2,891,464 |
| 2018 | 19,182,952 | 3,111,140 |
| 2019 | 20,509,531 | 2,934,406 |

| Year | Transfer into the Debt Service Fund |
|------|--|
| 2009 | 7,067,731 |
| 2010 | 13,653,491 |
| 2011 | 11,490,500 |
| 2012 | 10,939,800 |
| 2013 | 9,583,800 |
| 2014 | 7,324,900 |
| 2015 | 7,222,300 |
| 2016 | 5,569,000 |
| 2017 | 1,551,400 |
| 2018 | 4,355,500 |
| 2019 | 4,335,400 |

| Year | Admission Tax | | Wagering Tax | | Total Amount | Percent Change |
|------|---------------|---------------|---------------|---------------|---------------|----------------|
| | Amount | Daily Average | Amount | Daily Average | | |
| 2009 | \$ 1,599,896 | \$ 4,371 | \$ 10,121,078 | \$ 27,653 | \$ 11,720,974 | X |
| 2010 | 1,488,021 | 4,077 | 9,058,663 | 24,818 | 10,546,684 | -10.02% |
| 2011 | 1,498,609 | 4,106 | 8,670,975 | 23,756 | 10,169,584 | -3.58% |
| 2012 | 1,374,454 | 3,766 | 7,594,424 | 20,807 | 8,968,878 | -11.81% |
| 2013 | 1,256,773 | 3,434 | 7,093,608 | 19,381 | 8,350,381 | -6.90% |
| 2014 | 1,097,301 | 3,006 | 6,343,818 | 17,380 | 7,441,119 | -10.89% |
| 2015 | 1,041,390 | 2,853 | 6,062,241 | 16,609 | 7,103,631 | -4.54% |
| 2016 | 1,002,478 | 2,747 | 6,025,958 | 16,509 | 7,028,436 | -1.06% |
| 2017 | 991,579 | 2,717 | 6,047,648 | 16,569 | 7,039,227 | 0.15% |
| 2018 | 938,382 | 2,571 | 5,846,023 | 16,017 | 6,784,405 | -3.62% |
| 2019 | 904,713 | 2,479 | 5,731,926 | 15,704 | 6,636,639 | -2.18% |

OTHER TAXES

| <u>Year</u> | <u>Utility Tax Telecommunications</u> | <u>Utility Tax Gas</u> | <u>Utility Tax Electric</u> |
|-------------|---|----------------------------|---------------------------------|
| 2009 | 6,554,209 | 818,532 | 3,135,886 |
| 2010 | 6,185,475 | 754,043 | 3,340,916 |
| 2011 | 6,202,311 | 800,618 | 3,380,119 |
| 2012 | 6,218,307 | 682,790 | 3,419,400 |
| 2013 | 5,864,429 | 855,301 | 3,414,078 |
| 2014 | 5,768,993 | 939,721 | 3,420,699 |
| 2015 | 6,424,305 | 814,711 | 3,373,805 |
| 2016 | 6,006,907 | 738,659 | 3,455,619 |
| 2017 | 6,378,926 | 781,553 | 3,305,042 |
| 2018 | 5,915,651 | 1,674,290 | 5,953,969 |
| 2019 | 5,122,039 | 2,620,646 | 6,058,286 |

2019 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

\$28,035,000

Waterworks and Sewerage Revenue Bonds, Series 2015B

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENT DATED

May 12, 2015

WATERWORKS AND SEWERAGE SYSTEM FINANCIAL INFORMATION

**Waterworks and Sewerage Fund
Statement of Net Position**

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| ASSETS AND DEFERRED OUTFLOWS: | | | | | |
| Current Assets: | | | | | |
| Cash and Investments | \$ 10,689,387 | \$ 6,784,443 | \$ 5,644,975 | \$ 9,035,139 | \$ 16,606,805 |
| Accounts Receivable, Less Allowance | 5,627,016 | 5,772,835 | 6,164,775 | 6,602,082 | 6,535,330 |
| Inventory/Other | 115,235 | 186,727 | 313,424 | 274,604 | 226,974 |
| Total Current Assets | 16,431,638 | 12,744,005 | 12,123,174 | 15,911,825 | 23,369,109 |
| Restricted Assets: | | | | | |
| Cash and Investments | 3,966,263 | 3,912,845 | 3,976,051 | 4,028,740 | 4,039,458 |
| Noncurrent Assets: | | | | | |
| Deferred Charges | - | - | - | | |
| Due From Other Governments | 5,845,497 | 5,648,685 | 5,442,101 | 5,228,080 | 5,003,944 |
| Other Post-Employment Benefits Asset | 1,662,898 | 8,289,989 | 8,176,950 | 7,767,972 | 6,827,320 |
| Capital Assets Less | | | | | |
| Accumulated Depreciation | 182,453,927 | 188,338,622 | 194,379,087 | 193,763,783 | 196,748,135 |
| Deferred Outflows: | | | | | |
| Pension Items - IMRF | 3,607,636 | 4,504,903 | 3,550,016 | 2,052,766 | 5,235,120 |
| Asset Retirement Obligation | | | | | 2,579,042 |
| Total Assets and Deferred Outflows | 213,967,859 | 223,439,049 | 227,647,379 | 228,753,166 | 243,802,128 |
| LIABILITIES: | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | \$ 3,493,297 | \$ 2,816,515 | \$ 2,352,307 | \$ 2,089,997 | \$ 2,581,958 |
| Accrued Payroll/Other | 1,091,529 | 1,190,040 | 1,257,266 | 1,239,422 | 1,423,418 |
| Illinois E.P.A. Loans Payable | 747,503 | 763,785 | 780,543 | 797,791 | 815,544 |
| Revenue Bonds Payable, Due Within One Year | 910,000 | 940,000 | 980,000 | 1,020,000 | 1,050,000 |
| Total Current Liabilities | 6,242,329 | 5,710,340 | 5,370,116 | 5,147,210 | 5,870,920 |
| Noncurrent Liabilities: | | | | | |
| Deposits | 854,917 | 851,979 | 840,048 | 815,085 | 849,283 |
| Compensated Absences | 1,550,020 | 1,563,525 | 1,603,894 | 1,585,386 | 1,581,717 |
| Net Other Postemployment Benefits Liability | - | 26,161,797 | 21,614,385 | 12,932,921 | 13,615,476 |
| IMRF Net Pension Liability | 7,519,867 | 7,519,867 | 6,563,315 | 3,208,412 | 8,857,018 |
| Asset Retirement Obligation | | | | | 2,625,000 |
| Illinois EPA Loans Payable | 6,348,703 | 5,584,918 | 4,804,376 | 4,006,585 | 3,191,041 |
| Revenue Bonds Payable, Due After One Year | 27,460,693 | 26,504,317 | 25,507,942 | 24,471,567 | 23,405,192 |
| Total Liabilities | 49,976,529 | 73,896,743 | 66,304,076 | 52,167,166 | 59,995,647 |
| Deferred Inflow of Resources | | | | | |
| Pension Items-IMRF | - | - | 946,925 | 3,536,777 | 1,082,998 |
| OPEB Items | - | 39,105 | 239,661 | 2,088,077 | 1,862,414 |
| Total Deferred Inflow of Resources | - | 39,105 | 1,186,586 | 5,624,854 | 2,945,412 |
| NET POSITION: | | | | | |
| Net Investment in Capital Assets | 154,456,602 | 162,187,304 | 170,147,240 | 171,510,714 | 176,547,977 |
| Restricted | 3,966,263 | 3,912,845 | 3,976,051 | 4,028,740 | 4,039,458 |
| Unrestricted | 5,568,465 | (16,596,948) | (13,966,574) | (4,578,308) | 273,634 |
| Total Net Position | \$ 163,991,330 | \$ 149,503,201 | \$ 160,156,717 | \$ 170,961,146 | \$ 180,861,069 |

WATERWORKS AND SEWERAGE FUND

Revenue and Expenses

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---------------------|---------------------|----------------------|----------------------|---------------------|
| OPERATING REVENUES: | | | | | |
| Charges for Services | \$ 30,644,121 | \$ 32,056,377 | \$ 33,214,771 | \$ 35,012,619 | \$ 35,794,845 |
| Fees (1) | 572,593 | 474,888 | 480,725 | 515,533 | 360,132 |
| Other Sales and Services | 261,546 | 292,788 | 320,806 | 287,988 | 296,569 |
| Total Operating Revenues | 31,478,260 | 32,824,053 | 34,016,302 | 35,816,140 | 36,451,546 |
| OPERATING EXPENSES: | | | | | |
| Personnel Services | 10,158,483 | 13,375,978 | 7,886,353 | 5,980,726 | 12,277,910 |
| Material & Supplies | 6,152,198 | 5,941,781 | 6,013,697 | 5,045,242 | 4,943,608 |
| Other Services and Charges | 8,623,247 | 8,285,953 | 8,852,752 | 8,146,925 | 7,919,182 |
| Miscellaneous | 108,863 | - | - | - | - |
| Provision for Depreciation | 4,493,381 | 4,417,413 | 4,614,431 | 5,972,367 | 5,066,690 |
| Total Operating Expenses | 29,536,172 | 32,021,125 | 27,367,233 | 25,145,260 | 30,207,390 |
| Operating Income | 1,942,088 | 802,928 | 6,649,069 | 10,670,880 | 6,244,156 |
| NON-OPERATING REVENUES (EXPENSES): | | | | | |
| Recovery of Costs | 18,527 | 33,288 | 35,165 | 38,815 | 80,225 |
| Investment Income | 353,647 | 267,182 | 293,017 | 394,659 | 504,579 |
| Debt Interest | (1,398,357) | (1,069,342) | (1,025,567) | (980,387) | (933,514) |
| Sale of Asset/Other | - | - | - | - | 5,470,000 |
| Total Non-Operating Revenues (Expenses) | (1,026,183) | (768,872) | (697,385) | (546,913) | 5,121,290 |
| Income (Loss) Before Transfers and Contributions | 915,905 | 34,056 | 5,951,684 | 10,123,967 | 11,365,446 |
| Transfers Out | (1,000,000) | (1,000,000) | - | - | (4,500,000) |
| Contributions | 4,751,392 | 2,547,951 | 4,701,832 | 680,462 | 3,034,477 |
| Change in Net Position | \$ 4,667,297 | \$ 1,582,007 | \$ 10,653,516 | \$ 10,804,429 | \$ 9,899,923 |

Waterworks and Sewerage Fund Historical Coverage

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Operating Income | \$ 1,942,088 | \$ 802,928 | \$ 6,649,069 | \$ 10,670,880 | \$ 6,244,156 |
| Investment Income | 353,647 | 267,182 | 293,017 | 394,659 | 504,579 |
| Depreciation | 4,493,381 | 4,417,413 | 4,614,431 | 5,972,367 | 5,066,690 |
| Net Revenue Available for Debt Service | \$ 6,789,116 | \$ 5,487,523 | \$ 11,556,517 | \$ 17,037,906 | \$ 11,815,425 |
| Actual Revenue Bonds Debt Service Coverage | \$ 2,035,044 3.34x | \$ 1,882,650 2.91x | \$ 1,885,350 6.13x | \$ 1,894,700 8.99x | \$ 1,905,200 6.20x |

Notes: (1) Fees primarily represent connection and extension fees.

Revenue and Expenditures

| | Budget 2020 |
|---|-----------------|
| OPERATING REVENUES: | |
| Charges for Service | \$ 37,921,980 |
| Fees (1) | 460,000 |
| Other Sales and Services | 375,150 |
| Total Operating Revenues | 38,757,130 |
| OPERATING EXPENSES: | |
| Personnel Services | 11,511,261 |
| Materials and Supplies | 6,046,450 |
| Other Services and Charges | 10,556,771 |
| Provision for Depreciation | - |
| Total Operating Expenses | 28,114,482 |
| Operating Income | 10,642,648 |
| NON-OPERATING REVENUES (EXPENSES): | |
| Contributions from Other Governments | 404,600 |
| Investment Income | 100,000 |
| Sale of Assets | - |
| Capital Outlay | (21,976,100) |
| Debt Principal | (1,800,700) |
| Debt Interest | (973,700) |
| Total Non-Operating Revenues (Expenses) | (24,245,900) |
| Net Income Before Transfers | (13,603,252) |
| Transfers Out | - |
| Net Income | \$ (13,603,252) |

Note: (1) Fees primarily represent connection and extension fees.

**Waterworks and Sewerage Bonds
and Illinois Environmental Protection Agency Loans
(Principal Only)**

| Year | 2000 IEPA | Series 2015B | Total Outstanding | Cumulative Retirement | |
|-------|---------------------|----------------------|----------------------|-----------------------|---------|
| | Loan | Bonds | Debt | Principal | Percent |
| 2020 | 624,462 | 1,050,000 | 1,674,462 | 1,674,462 | 6.42% |
| 2021 | 642,734 | 1,090,000 | 1,732,734 | 3,407,196 | 13.06% |
| 2022 | 638,826 | 1,120,000 | 1,758,826 | 5,166,022 | 19.80% |
| 2023 | - | 1,160,000 | 1,160,000 | 6,326,022 | 24.25% |
| 2024 | - | 1,190,000 | 1,190,000 | 7,516,022 | 28.81% |
| 2025 | - | 1,230,000 | 1,230,000 | 8,746,022 | 33.52% |
| 2026 | - | 1,280,000 | 1,280,000 | 10,026,022 | 38.43% |
| 2027 | - | 1,315,000 | 1,315,000 | 11,341,022 | 43.47% |
| 2028 | - | 1,365,000 | 1,365,000 | 12,706,022 | 48.70% |
| 2029 | - | 1,425,000 | 1,425,000 | 14,131,022 | 54.16% |
| 2030 | - | 1,485,000 | 1,485,000 | 15,616,022 | 59.85% |
| 2031 | - | 1,555,000 | 1,555,000 | 17,171,022 | 65.81% |
| 2032 | - | 1,625,000 | 1,625,000 | 18,796,022 | 72.04% |
| 2033 | - | 1,705,000 | 1,705,000 | 20,501,022 | 78.58% |
| 2034 | - | 1,780,000 | 1,780,000 | 22,281,022 | 85.40% |
| 2035 | - | 1,865,000 | 1,865,000 | 24,146,022 | 92.55% |
| 2036 | - | 1,945,000 | 1,945,000 | 26,091,022 | 100.00% |
| Total | <u>\$ 1,906,022</u> | <u>\$ 24,185,000</u> | <u>\$ 26,091,022</u> | | |

**Waterworks and Sewerage Revenue Bonds, Series 2006
Projected Debt Service Coverage**

| Year | Net Revenue Available for Debt Service (1) | 2000 IEPA Loan | Series 2015B | Total Debt Service | Coverage | Mandatory Coverage (2) | Remaining Revenue Available |
|------|--|---------------------|----------------------|----------------------|----------|------------------------|-----------------------------|
| 2020 | 6,011,000 | 675,329 | 1,907,150 | \$ 2,582,479 | 2.33 x | 3,228,099 | 2,782,901 |
| 2021 | 6,011,000 | 652,614 | 1,915,650 | \$ 2,568,264 | 2.34 x | 3,210,330 | 2,800,670 |
| 2022 | 6,011,000 | 652,614 | 1,912,950 | \$ 2,565,564 | 2.34 x | 3,206,955 | 2,804,045 |
| 2023 | 6,011,000 | - | 1,919,350 | \$ 1,919,350 | 3.13 x | 2,399,188 | 3,611,813 |
| 2024 | 6,011,000 | - | 1,914,550 | \$ 1,914,550 | 3.14 x | 2,393,188 | 3,617,813 |
| 2025 | 6,011,000 | - | 1,918,850 | \$ 1,918,850 | 3.13 x | 2,398,563 | 3,612,438 |
| 2026 | 6,011,000 | - | 1,931,950 | \$ 1,931,950 | 3.11 x | 2,414,938 | 3,596,063 |
| 2027 | 6,011,000 | - | 1,926,950 | \$ 1,926,950 | 3.12 x | 2,408,688 | 3,602,313 |
| 2028 | 6,011,000 | - | 1,935,856 | \$ 1,935,856 | 3.11 x | 2,419,820 | 3,591,180 |
| 2029 | 6,011,000 | - | 1,951,494 | \$ 1,951,494 | 3.08 x | 2,439,368 | 3,571,633 |
| 2030 | 6,011,000 | - | 1,963,400 | \$ 1,963,400 | 3.06 x | 2,454,250 | 3,556,750 |
| 2031 | 6,011,000 | - | 1,974,000 | \$ 1,974,000 | 3.05 x | 2,439,367 | 3,571,633 |
| 2032 | 6,011,000 | - | 1,981,800 | \$ 1,981,800 | 3.03 x | 2,477,250 | 3,533,750 |
| 2033 | 6,011,000 | - | 1,996,800 | \$ 1,996,800 | 3.01 x | 2,496,000 | 3,515,000 |
| 2034 | 6,011,000 | - | 2,003,600 | \$ 2,003,600 | 3.00 x | 2,504,500 | 3,506,500 |
| 2035 | 6,011,000 | - | 2,017,400 | \$ 2,017,400 | 2.98 x | 2,521,750 | 3,489,250 |
| 2036 | 6,011,000 | - | 2,022,800 | \$ 2,022,800 | 2.97 x | 2,528,500 | 3,482,500 |
| | Total: | <u>\$ 1,980,557</u> | <u>\$ 33,194,550</u> | <u>\$ 35,175,107</u> | | | |

- Notes: (1) Source: the City.
(2) Mandatory coverage based on bond ordinance rate covenant for 125% of debt service.

2019 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

**\$4,300,000 Tax Increment Revenue Bonds, Series 2018A
and**

\$3,130,000 Tax Increment Revenue Bonds, Series 2018B

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENT DATED

November 27, 2018

EQUALIZED ASSESSED VALUATION AND PROPERTY TAX RATES

**Historic Redevelopment Project Area Equalized Assessed Valuation
TIF No. 3 (River City)**

| | Levy Year | | | | | |
|------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Property Class: | | | | | | |
| Residential | \$ 192,987 | \$ 192,987 | \$ 192,987 | \$ 192,987 | \$ 192,987 | \$ 192,987 |
| Commercial | 1,397,762 | 952,486 | 962,954 | 984,402 | 1,022,977 | 1,105,599 |
| Industrial | 490,532 | 613,146 | 630,398 | 642,800 | 673,466 | 723,754 |
| Railroad | 2,953,833 | 2,953,833 | 2,953,833 | 2,953,833 | 2,953,833 | 2,953,833 |
| Sub-Total | 5,035,114 | 4,712,452 | 4,740,172 | 4,774,022 | 4,843,263 | 4,976,173 |
| Increment | 5,554,050 | 4,437,054 | 4,306,304 | 4,903,095 | 5,619,988 | 6,508,922 |
| Total | <u>\$ 10,589,164</u> | <u>\$ 9,149,506</u> | <u>\$ 9,046,476</u> | <u>\$ 9,677,117</u> | <u>\$ 10,463,251</u> | <u>\$ 11,485,095</u> |
| Total City EAV | \$ 3,068,739,066 | \$ 3,058,755,881 | \$ 3,210,394,954 | \$ 3,470,093,810 | \$ 3,705,635,744 | \$ 3,928,150,165 |
| Project Area %** | 0.35% | 0.30% | 0.28% | 0.28% | 0.28% | 0.29% |

**Property Tax Rates of Taxing Districts in the Redevelopment Project Area
TIF No. 3 (River City)
(Per \$100 equalized assessed valuation)**

| Taxing Districts | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Kane County | \$ 0.4623 | \$ 0.4684 | \$ 0.4479 | \$ 0.4201 | \$ 0.4025 | \$ 0.3877 |
| Kane County Forest Preserve District | 0.3039 | 0.3126 | 0.2944 | 0.2253 | 0.1658 | 0.1607 |
| Aurora Township | 0.2517 | 0.2602 | 0.2478 | 0.2261 | 0.2163 | 0.2210 |
| Aurora Township Road District | 0.1104 | 0.1141 | 0.1084 | 0.1004 | 0.0961 | 0.0917 |
| Fox Valley Park District | 0.6280 | 0.6307 | 0.5999 | 0.5590 | 0.5322 | 0.4903 |
| City of Aurora | 2.1406 | 2.2635 | 2.1941 | 2.0930 | 2.0485 | 1.9739 |
| City of Aurora Library | 0.2867 | 0.2864 | 0.2942 | 0.2911 | 0.2887 | 0.2862 |
| Community College District Number 516 | 0.5807 | 0.5954 | 0.5875 | 0.5607 | 0.5533 | 0.5414 |
| Unit School District Number 129 | 6.6667 | 6.8578 | 6.5898 | 6.1478 | 5.9882 | 5.8301 |
| Special Service Area 1 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Special Service Area 16 | - | - | - | - | - | - |
| Total Rates | <u>\$ 12.4310</u> | <u>\$ 12.7891</u> | <u>\$ 12.3640</u> | <u>\$ 11.6234</u> | <u>\$ 11.2916</u> | <u>\$ 10.9829</u> |
| Unit School District 131 | \$ 6.9014 | \$ 7.5965 | \$ 6.7277 | \$ 6.0474 | \$ 5.5032 | \$ 4.9529 |

Source: Kane County Clerk and City.

**Historic Redevelopment Project Area Equalized Assessed Valuation
TIF No. 6 (East River Area)**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Property Class: | | | | | | |
| Residential | \$ 219,716 | \$ 213,227 | \$ 224,320 | \$ 249,670 | \$ 275,928 | \$ 279,324 |
| Commercial | 4,116,897 | 4,013,551 | 3,905,128 | 3,958,418 | 3,877,570 | 4,164,901 |
| Industrial | 4,099,420 | 4,018,115 | 4,149,629 | 4,241,623 | 4,412,749 | 4,656,353 |
| Railroad | 12,013,613 | 12,013,613 | 12,013,613 | 12,013,613 | 12,013,613 | 12,013,613 |
| Subtotal | 20,449,646 | 20,258,506 | 20,292,690 | 20,463,324 | 20,579,860 | 21,114,191 |
| Increment | 1,620,726 | 1,911,103 | 2,053,668 | 2,411,617 | 2,761,682 | 3,890,528 |
| Total | <u>\$ 22,070,372</u> | <u>\$ 22,169,609</u> | <u>\$ 22,346,358</u> | <u>\$ 22,874,941</u> | <u>\$ 23,341,542</u> | <u>\$ 25,004,719</u> |
| Total City EAV | \$3,068,739,066 | \$ 3,058,755,881 | \$ 3,210,394,954 | \$ 3,470,093,810 | \$ 3,705,635,744 | \$ 3,928,150,165 |
| Redevelopment Project Area % | 0.72% | 0.72% | 0.70% | 0.66% | 0.63% | 0.64% |

**Property Tax Rates of Taxing Districts in the Redevelopment Project Area
TIF No. 6 (East River City)
(per \$100 equalized assessed valuation)**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Taxing District: | | | | | | |
| Kane County | \$ 0.4623 | \$ 0.4684 | \$ 0.4479 | \$ 0.4201 | \$ 0.4025 | \$ 0.3877 |
| Kane County Forest Preserve | 0.3039 | 0.3126 | 0.2944 | 0.2253 | 0.1658 | 0.1607 |
| Aurora Township | 0.2517 | 0.2602 | 0.2478 | 0.2261 | 0.2163 | 0.2210 |
| Aurora Township Road District | 0.1104 | 0.1141 | 0.1084 | 0.1004 | 0.0961 | 0.0917 |
| Fox Valley Park District | 0.6280 | 0.6307 | 0.5999 | 0.5590 | 0.5322 | 0.4903 |
| City of Aurora | 2.1406 | 2.2635 | 2.1941 | 2.0930 | 2.0485 | 1.9739 |
| City of Aurora Library | 0.2867 | 0.2864 | 0.2942 | 0.2911 | 0.2887 | 0.2862 |
| Community College District 516 | 0.5807 | 0.5954 | 0.5875 | 0.5607 | 0.5533 | 0.5414 |
| Unit School District 129 | 6.6667 | 6.8578 | 6.5898 | 6.1478 | 5.9882 | 5.8301 |
| Total | \$ 11.4310 | \$ 11.7891 | \$ 11.3640 | \$ 10.6234 | \$ 10.2916 | \$ 9.9829 |
| | | | | | | |
| Unit School District 131 | \$ 6.9014 | \$ 7.5965 | \$ 6.7277 | \$ 6.0474 | \$ 5.5032 | \$ 4.9529 |

TIF No. 3 Pledged Tax Collections

| Levy Year | Collection Year | Amount Collected |
|--------------|--------------------|------------------|
| 2001 | 2002 | \$ 30,496 |
| 2002 | 2003 | 44,165 |
| 2003 | 2004 | 62,925 |
| 2004 | 2005 | 81,118 |
| 2005 | 2006 | 102,229 |
| 2006 | 2007 | 115,195 |
| 2007 | 2008 | 150,977 |
| 2008 | 2009 | 202,061 |
| 2009 | 2010 | 196,253 |
| 2010 | 2011 | 161,375 |
| 2011 | 2012 | 164,709 |
| 2012 | 2013 | 223,339 |
| 2013 | 2014 | 132,326 |
| 2014 | 2015 | 97,920 |
| 2015 | 2016 | 83,509 |
| 2016 | 2017 | 84,518 |
| 2017 | 2018 | 159,366 |
| 2018 | 2019 | 163,114 |
| | Total | \$ 2,255,595 |

Note: Per the bond ordinance, pledged taxes include incremental property taxes less payments to overlapping taxing districts and certain developers as required by previously executed agreements.

TIF No. 6 Pledged Tax Collections

| Levy Year | Collection Year | Amount Collected |
|--------------|--------------------|---------------------|
| 2007 | 2008 | \$ 93,517 |
| 2008 | 2009 | 231,090 |
| 2009 | 2010 | 346,569 |
| 2010 | 2011 | 318,258 |
| 2011 | 2012 | 254,730 |
| 2012 | 2013 | 286,756 |
| 2013 | 2014 | 184,234 |
| 2014 | 2015 | 219,238 |
| 2015 | 2016 | 236,994 |
| 2016 | 2017 | 255,380 |
| 2017 | 2018 | 279,715 |
| 2018 | 2019 | 308,843 |
| | Total | 3,015,324 |

**Principal City Taxpayers (1)
TIF No. 3 (River City)**

| Taxpayer Name | 2018 EAV (2) | % of Total TIF |
|--------------------------------|---------------------|----------------|
| TSFPC ILLC | \$ 490,216 | 4.27% |
| First of America Bank-Illinois | 394,266 | 3.43% |
| Fitzpatrick Properties LLC | 372,768 | 3.25% |
| PNB Real Estate LLC | 233,264 | 2.03% |
| Project Canvas | 217,641 | 1.89% |
| Rising Star Investments LLC | 198,725 | 1.73% |
| Individual | 150,428 | 1.31% |
| Individual | 142,375 | 1.24% |
| Irish Ventures Four LLC | 139,329 | 1.21% |
| Individual | 127,747 | 1.11% |
| Total | <u>\$ 2,466,759</u> | <u>21.47%</u> |

- Notes: (1) Source: The City and Kane County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

**Principal City Taxpayers (1)
TIF No. 6 (East River Area)**

| Taxpayer Name | 2018 EAV (2) | % of Total TIF |
|---------------------------------------|---------------------|----------------|
| Indian Trail Business Center Partners | \$ 1,144,302 | 4.58% |
| Indian Trail Plaza, LLC | 1,077,664 | 4.31% |
| Square Peg Real Estate LLC | 479,421 | 1.92% |
| Kane County Teachers Credit Union | 421,038 | 1.68% |
| Trust | 386,379 | 1.55% |
| MJW-Aurora Properties | 371,925 | 1.49% |
| Berkheimer Properties LLC | 350,850 | 1.40% |
| Heartland Recycling-Aurora CCDD LLC | 347,816 | 1.39% |
| Groot Inc. | 345,201 | 1.38% |
| GC Real Estate LLC | 319,965 | 1.28% |
| Total | <u>\$ 5,244,561</u> | <u>20.98%</u> |

- Notes: (1) Source: The City and Kane County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

**Historic Receipts from the Riverboat Casino
Admissions Tax and Gaming Taxes**

| Year | Wagering Tax | Admissions Tax | Total |
|----------|-----------------------|----------------------|-----------------------|
| 1993 (a) | \$ 1,539,843 | \$ 494,331 | \$ 2,034,174 |
| 1994 | 6,978,479 | 2,292,129 | 9,270,608 |
| PPA (b) | 1,673,471 | 560,970 | 2,234,441 |
| 1995 | 7,289,108 | 2,723,083 | 10,012,191 |
| 1996 | 7,845,852 | 3,180,239 | 11,026,091 |
| 1997 | 7,691,908 | 3,608,393 | 11,300,301 |
| 1998 | 7,833,137 | 3,281,429 | 11,114,566 |
| 1999 | 9,557,323 | 3,074,115 | 12,631,438 |
| 2000 | 10,869,464 | 2,661,334 | 13,530,798 |
| 2001 | 11,611,763 | 2,307,698 | 13,919,461 |
| 2002 | 13,620,684 | 2,638,509 | 16,259,193 |
| 2003 | 12,336,493 | 1,917,304 | 14,253,797 |
| 2004 | 11,474,679 | 1,448,717 | 12,923,396 |
| 2005 | 12,058,237 | 1,547,775 | 13,606,012 |
| 2006 | 13,291,402 | 1,814,179 | 15,105,581 |
| 2007 | 13,633,600 | 1,815,777 | 15,449,377 |
| 2008 | 11,004,578 | 1,627,759 | 12,632,337 |
| 2009 | 10,121,078 | 1,599,896 | 11,720,974 |
| 2010 | 9,058,663 | 1,488,021 | 10,546,684 |
| 2011 | 8,670,025 | 1,498,609 | 10,168,634 |
| 2012 | 7,594,424 | 1,374,454 | 8,968,878 |
| 2013 | 7,093,608 | 1,256,773 | 8,350,381 |
| 2014 | 6,343,818 | 1,097,301 | 7,441,119 |
| 2015 | 6,062,241 | 1,041,390 | 7,103,631 |
| 2016 | 6,025,958 | 1,002,478 | 7,028,436 |
| 2017 | 6,047,648 | 991,579 | 7,039,227 |
| 2018 | 5,846,023 | 938,382 | 6,784,405 |
| 2019 | 5,731,926 | 904,713 | 6,636,639 |
| | <u>\$ 238,905,433</u> | <u>\$ 50,187,337</u> | <u>\$ 289,092,770</u> |

Notes: (a) Partial year of casino operations.

(b) Prior-period adjustment recognized in 1995 due to GASB Statement No. 22.