



VILLAGE OF  
**NORTH  
AURORA**  
Crossroads on the Fox

# POPULAR ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED MAY 31, 2021

VILLAGE OF NORTH AURORA, ILLINOIS





Government Finance Officers Association

Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting

Presented to

**Village of North Aurora**  
**Illinois**

For its Annual Financial Report  
for the Fiscal Year Ended

**2020**

*Christopher P. Morrill*

Executive Director/CEO



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## North Aurora Facts

### Geographic Area

7.73 square miles

### Form of Government

Trustee-Administrator

Village President & 6-Trustee Board

### Demographics (U.S. 2020 Census)

Residents 18,261

### Race (U.S. 2020 Census)

White	70.8%
Black and African American	5.8%
Asian	5.1%
Some Other Race	8.4%
Two or More Races	9.9%
Hispanic or Latino (any race)**	19.2%

### Household Income (ACS 2019)

Median \$86,537

**Bond Rating (S&P)** AA+

### Equalized Accessed Valuation (EAV)

EAV- Up 5.5% to \$589,911,090

**General Merchandise Sales Tax-** 7.5%

\*ACS is the American Community Survey organized by the U.S.. Census Bureau

\*\* Hispanics or Latinos can identify with any race listed above

## The Village of North Aurora Popular Annual Financial Report

As the Village President of North Aurora, I am excited to present the Popular Annual Financial Report (PAFR) for Fiscal Year 2021. This document has been created to provide North Aurora citizens and other stakeholders with a comprehensive, but understandable guide to the Village's financial activities.

The financial information in this report is derived from the Village's 2021 Comprehensive Annual Financial Report, which represents the Village's official audited financial statements, and conforms with Generally Accepted Accounting Principles (GAAP). The Village received its 20th consecutive Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the Comprehensive Annual Financial Report as of May 31, 2020. The Certificate of Achievement is considered the highest form of recognition in the area of governmental accounting and financial reporting.

The Village also received the Distinguished Budget Presentation Award from the GFOA for the fiscal year 2021-2022. This represents the 16th consecutive year the Village has received this award. The Village also received for the 4th consecutive year the PAFR Award from GFOA.

These awards not only attest to the dedication and professionalism of the entire Finance Department staff, but reflect the Village's strong commitment to fiscal accountability and integrity. All of these financial reports, along with other financial documents are available on the Village's website at <https://northaurora.org/departments/finance-department/financial-reports-budgets/>

If you have any questions regarding the information presented on the following pages, or any other Village financial reports, please contact Finance Director Bill Hannah at (630) 906-7374.



Sincerely

*Mark Gaffino*

**Mark Gaffino**  
Village President

# Community Profile

**“An Attentive Municipal Organization that Connects with Community, Commerce, and Nature”**

The above serves as the Village of North Aurora’s vision statement and demonstrates the Village’s dedication to the many things that make up North Aurora.

## Village Board of Trustees



Village President  
Mark Gaffino



Village Trustee  
Mark Carroll



Village Trustee  
Laura Curtis



Village Trustee  
Mark Guethle



Village Trustee  
Michael Lowery



Village Trustee  
Todd Niedzweidz



Village Trustee  
Carolyn Bird Salazar

The Village was incorporated in 1905 and operates under the trustee-administrator form of government. The Village Board consists of a Village President and a six-member Board of Trustees. The President and Trustees are elected on an at-large basis with overlapping four-year terms.

The Village Administrator is appointed by the Village Board and is responsible for carrying out the policies of the Village Board and for overseeing the day-to-day administration of the Village. The Village is a non-home rule community as defined by the Illinois Constitution.

The Village of North Aurora has tripled its population over the past twenty-five years. Current, official population is 18,261 based upon the 2020 Census of the Village. The Village population is expected to reach 21,000 residents by 2025.



The Fox River is a 202-mile long tributary of the Illinois River. It flows from southeastern Wisconsin to Ottawa, Illinois, and right through North Aurora. Pictured: North Aurora’s State Street Bridge that crosses over the Fox River.



# Community Profile

## Supporting Organizations

The Village provides a full range of services including police protection and investigation, maintenance of streets and infrastructure, water production, treatment and service, maintenance of water lines, sanitary and storm sewer lines, building inspection and code enforcement, and general administrative/finance services. As of May 31, 2021, the Village of North Aurora has 64.55 full-time equivalent employees.

In addition to the Village of North Aurora, there are several other organizations that provide additional services to North Aurora residents and the community.

Solid waste collection and recycling services are administered by the Village through a contract with a private firm, at this time **Groot Industries, Inc.**

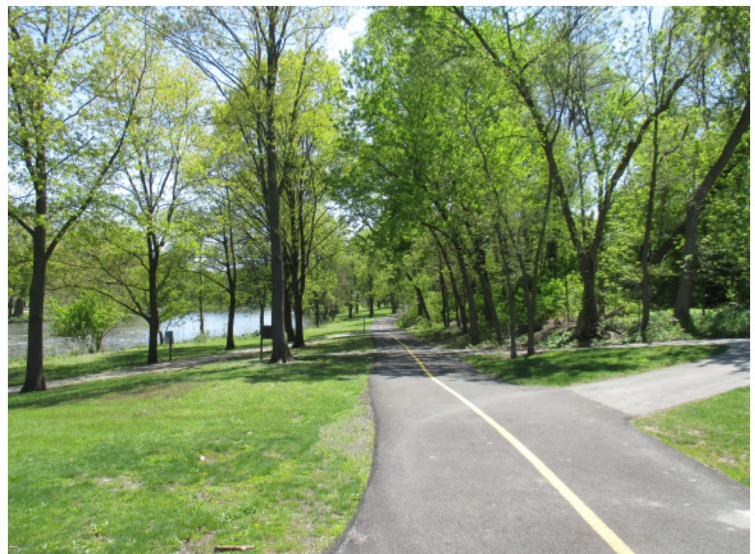
Fire protection services are provided by the **North Aurora Fire Protection District** and **Batavia Fire District**, both separate governmental entities.

Sanitary sewer treatment service is provided by the **Fox Metropolitan Water Reclamation District**, an independent unit of government.

Recreational services are provided primarily by the **Fox Valley Park District**, which maintains 168 parks and 48 miles of inter-connected regional trails amid 2,500 acres of parkland, including 14 parks in North Aurora.

The **Messenger Public Library of North Aurora** provides library services. The Library reported in Fiscal Year 2021 they had 199,122 items borrowed, 88,950 annual visits, and 15,760 reference questions answered.

The Village of North Aurora is home to many parks and recreational bike and walking trails looked after by the Fox Valley Park District. Two of those parks rest alongside the Fox River: North Aurora Riverfront Park and North Aurora Island Park.





# Village Accomplishments & Goals

The Village continues to move forward advancing its goals and objectives, and planning for needs into the future while maintaining an excellent financial position. Below are the major accomplishments completed in fiscal year 2020-2021 and upcoming goals for fiscal year 2021-2022.

*Fiscal year begins June 1st and ends May 31st.*

## **Major Accomplishments Completed in Fiscal Year 2020-2021**

1. Completed the painting and programmed decorative lighting for the Berman Tower Silo utilizing TIF funds
2. On a trial basis, contracted a social worker for one day a week at the Police Department
3. Completed the process for the hiring of an in-house Village Engineer
4. Completed the 2020 Street Improvement Program consisting of 1.8 miles
5. Completed replacement of watermain on Maple and Elm Avenues
6. Completed major improvements for the Village's website making it more user-friendly
7. Moved the process forward to consolidate most of the Village's three (3) current TIF Districts into one new TIF District
8. Completed the initial space needs assessment of the public works site along with related facilities and began the selection process for full architectural services
9. Completed design development for a new 750,000 gallon water tower

## **Major Goals Planned for Fiscal Year 2021-2022**

1. Anticipated initiation of construction of a new 750,000 gallon water tower
2. Establish new Planner position for Community Development
3. Increase public works staffing with the addition of a Street Laborer and Water Laborer
4. Complete the 2021 Street Improvement Program (3.2 miles)
5. Oversee the next phase of construction of Lincoln Valley on the Fox, a 374 unit age targeted residential development
6. Continue process to replace 59 street light poles on Orchard Gateway and Hansen Blvd
7. Continue with the comprehensive review of all of the Village's three (3) TIF Districts involving the consolidation of a majority of current parcels into a new TIF District
8. Commence full architectural design services for an expanded Public Works facility as well as site engineering and analysis
9. Finalization of design and scope of improvements for the construction of a plaza and other improvements at Riverfront Park situated next to Village Hall
10. Develop plan for use of approximate \$2,500,000 in American Rescue Plan Act (ARPA) federal funds for pandemic aid and other uses



# Fund Categories & Structure

The Village of North Aurora uses an accounting system known as “fund accounting.” A fund is a separate accounting entity with a self-balancing set of accounts. Revenues refer to money that is received. Expenditures/Expenses refers to the amount of money spent on goods and services. Expenditures are used for governmental funds while Expenses are used for business-type funds. Funds can be divided into three categories: **governmental funds**, **proprietary funds**, and **fiduciary funds**.

**Governmental funds** use modified accrual basis of accounting which means revenues are recognized when they become measurable and available. **Proprietary and fiduciary funds** use the accrual basis of accounting which means revenues are recorded when measurable and earned. Financial information for non-major funds are not in the PAFR, but can otherwise be found in the Comprehensive Annual Financial Report.

## Governmental Funds

The Village has four different types of governmental funds; general, special revenue, capital projects, and debt service. The general fund is the largest fund and is utilized to account for all activity that is not accounted for in another fund. Special revenues funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. The Village has eight special revenue funds. The capital projects fund is used to account for projects related to village facilities or infrastructure improvements. The Village also has two debt service funds that are used to account for the payment of principal and interest on debt. The two debt service funds include the library and police station. The Village maintains 12 individual governmental funds which are located in the table below.

## Proprietary Funds

The Village has two different types of proprietary funds; enterprise funds and internal service funds. Enterprise funds are used to account for a government's business-type activities. These activities receive a significant portion of their funding through user charges and fees. The Village's water system fund, the Waterworks fund, is considered an enterprise fund. The Village also has two internal service funds that are used for financing goods and services from one department to another. The two internal service funds include vehicle and equipment and employee compensated absences. The Village maintains three individual proprietary funds which are listed in the table below.

## Fiduciary Funds

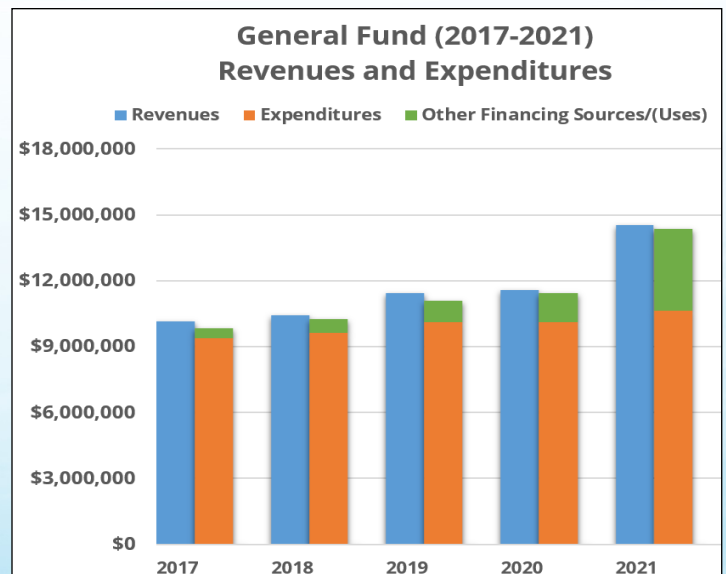
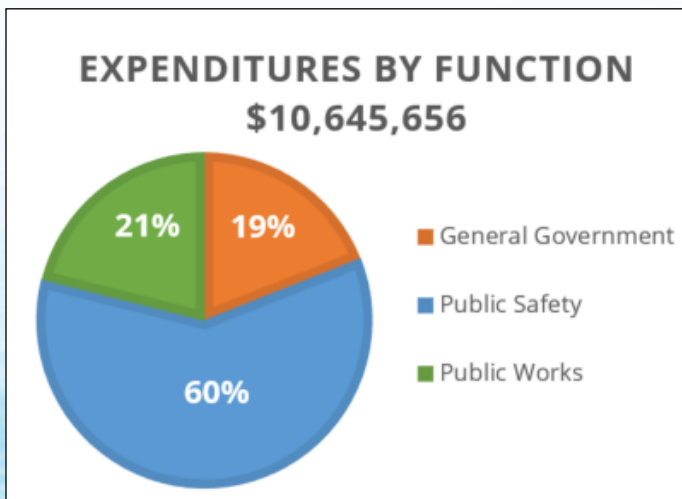
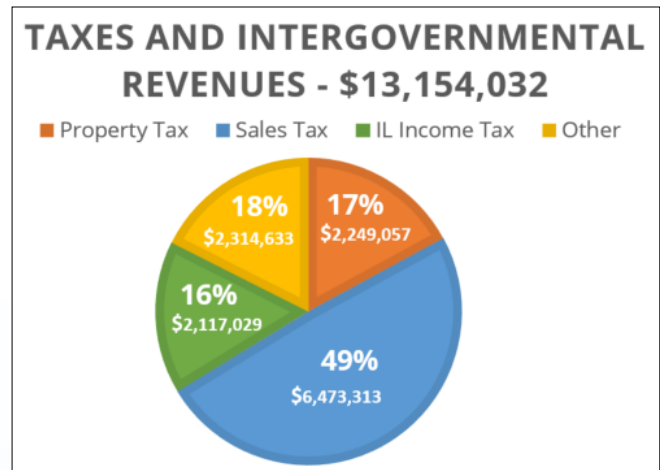
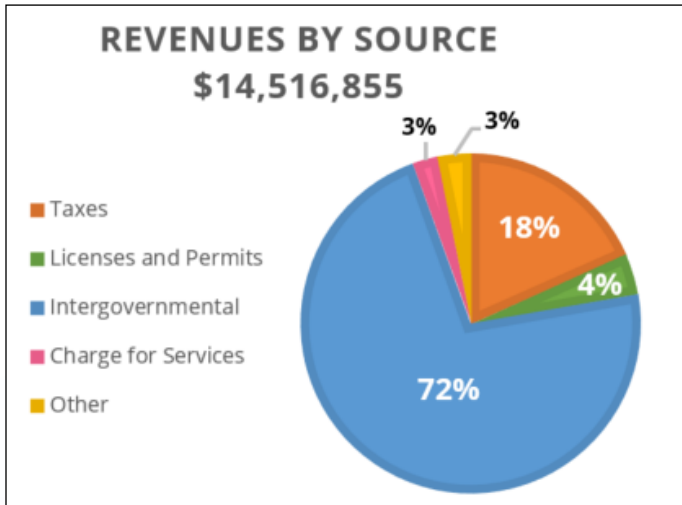
Fiduciary funds account for funds that the Village is holding for someone else and are used to account for resources held for the benefit of parties outside of the government. The Village of North Aurora maintains one fiduciary fund; the police pension trust fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs.

Governmental		Proprietary	Fiduciary
General	Tourism	Waterworks	Police Pension Trust
Motor Fuel Tax	Special Service Areas	Vehicle and Equipment	
Route 31 TIF	Sanitary Sewer	Employee Compensated Absences	
Sperry TIF	Capital Projects		
North Lincolnway TIF	Library Debt		
Insurance	Police Station Debt		



# General Fund

The General Fund is the major operating fund of the Village. It is used to account for all financial resources except those accounted for in another fund. It provides funding for the majority of operating services to the community including police protection, public works, and Village Hall services including administration, community development, and finance. The primary sources of funding for these services are sales taxes, state-shared income taxes and property taxes. The Village has established a fund balance policy for the General Fund at 40% to 50% of annually adopted expenditures and transfers of resources out for the purpose of debt repayment. All graphs are for fiscal year ended May 31, 2021.

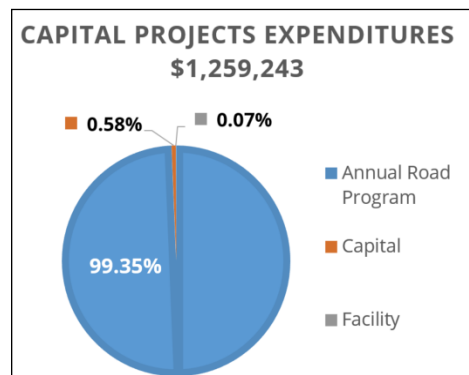
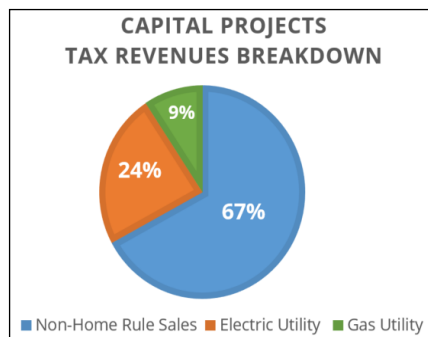
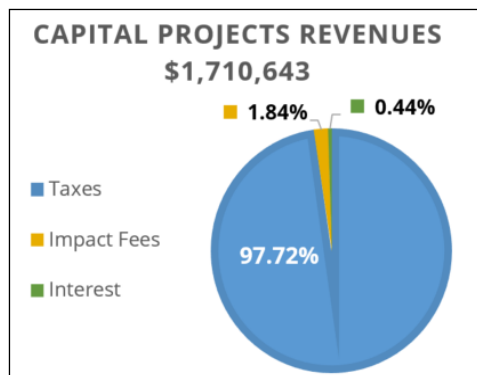


	2017	2018	2019	2020	2021
Revenues	\$10,136,829	\$10,428,222	\$11,420,135	\$11,569,990	\$14,516,855
Expenditures	\$9,388,868	\$9,637,716	\$10,120,715	\$10,126,712	\$10,645,656
Other Financing Sources/(Uses)	\$ (446,101)	\$ (615,528)	\$ (981,404)	\$ (1,319,361)	\$ (3,716,040)
Net Change in Fund Balance	\$301,860	\$174,978	\$318,016	\$123,917	\$155,159

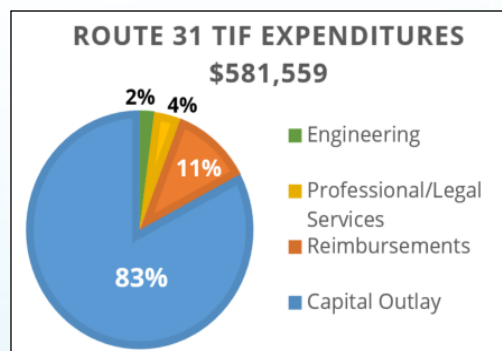
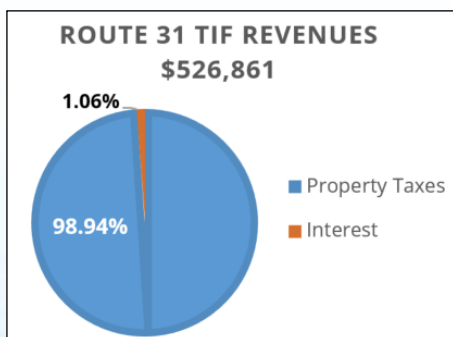


# Other Major Village Funds

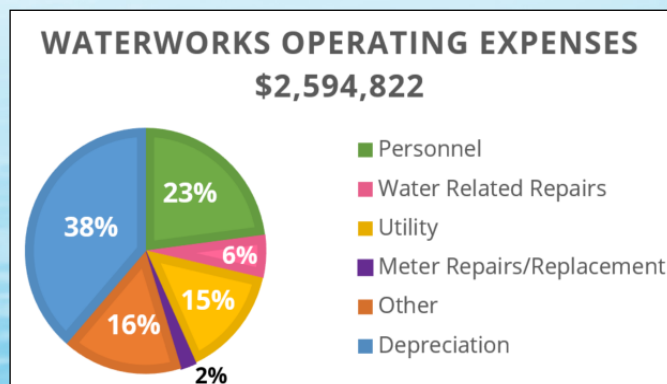
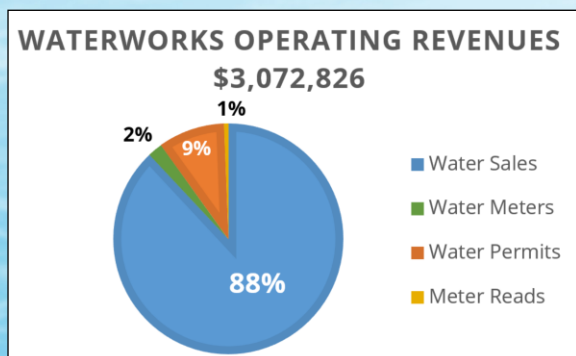
**Capital Projects Fund.** This fund accounts for various tax revenues restricted or committed for roads, infrastructure, or other purposes as well as impact fees and other contributions. This fund accounts for expenditures related to the Village's annual road improvement program, or capital projects related to village facilities or various right-of-way (ROW)/pedestrian infrastructure improvements. The fund finished the year with a \$3,651,400 increase in fund balance. The fund balance for the Capital Projects fund is \$7,317,618 which meets the cash flow reserve requirement for the fund. During the year \$3,200,000 was transferred from the General Fund to the Capital Projects Fund.



**Route 31 TIF Fund.** The Route 31 TIF Fund is used to account for the tax increment financing revenues and redevelopment expenditures within the Village's Route 31 TIF District. The Village anticipates using another portion of this reserve in the following year for future redevelopment projects in the TIF. The Route 31 TIF fund finished the year with a \$54,698 decrease in fund balance. The fund balance at May 31, 2021 is \$1,853,425.



**Waterworks Fund.** This fund accounts for the revenue and operating and capital expenses associated with the provision of water service to residents and businesses in the Village. The Waterworks fund is what the Village uses to pay for operating, repair and maintenance on the Village's water facility's and infrastructure. In the upcoming year, a water tower will be constructed partially using bond proceeds payable by Waterworks fund revenues. The Waterworks fund had a \$629,593 positive change in net position for the year, with the total net position at the end of the year \$27,284,209.



\* All graphs on this page are fiscal year ended May 31, 2021

\*\* All non-major funds are not in the PAFR, but can be found in the Comprehensive Annual Financial Report.



# The Crossroads On the Fox



**Water Wonders is located at Riverfront Park and encourages residents to splash and play in this attraction.**

**The Outlook Gazebo is situated above the Fox River by the Fox River Dam and alongside the Fox River Trail.**



**A Fox statue, in honor of the Fox River, is perched on the State Street Bridge; a main thoroughfare of North Aurora.**

**A view of State Street Bridge and the Fox River with the Silo rising in the background.**



**Berman Tower is a 98-foot tall grain silo by the river that is illuminated with a different color theme each week.**



# Development & Taxes

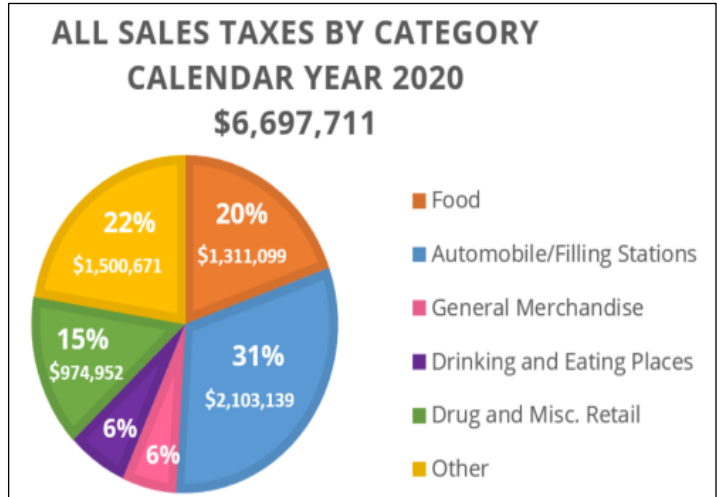
North Aurora has several taxes that fund village operations. Some taxes that the Village receives include property, sales, income, gas & electric, telecommunications, motor fuel, and non-home rule sales tax. Strong economic activity has resulted in sales tax as the largest revenue source for the Village.

Sales taxes, which is \$6,473,313, comprise 45% of all General Fund revenues, which funds police protection, public works, and village services. The Village's top sales tax generating industries are Automotive Dealers/Filling Stations and Food. These two industries make up 51% of the Village's sales tax revenue.

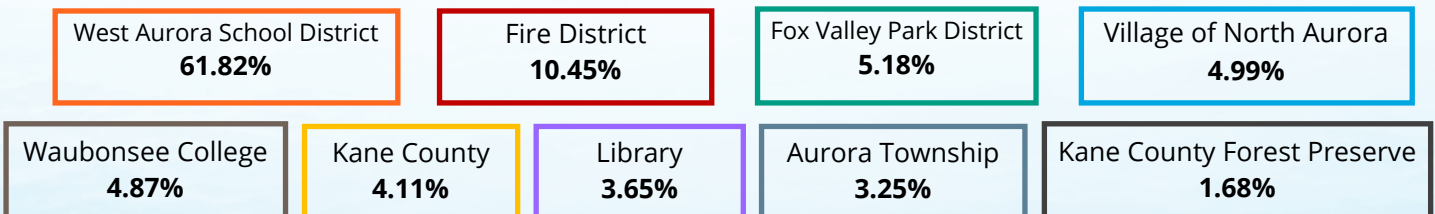
Sales tax revenue of \$6,473,313 includes the 1% applied to all sales and the Village's local 3% recreational cannabis sales tax.

The Village also has fees (building permits, sewer collection, and water collection) which are allocated towards operations and capital projects in various funds. The Village does not rely significantly on property taxes to fund Village services. Property taxes received in the General Fund for general government services were \$2,249,057 during the year.

Overall the Village has a very strong and stable financial position due in part to these diversified revenues sources.



## Where Do My Property Taxes Go?\*



\* Property tax allocations are illustrative of typical property tax bills.



# Statement of Net Position

The statement of net position provides a “snapshot” of where the Village stood financially at the close of fiscal year May 31, 2021. Net position presents information on all of the Village’s assets and liabilities, along with deferred outflows and inflows of resources.

Current assets are usually used within the next year while capital assets refer to longer lived assets such as land, infrastructure, and equipment. Current liabilities are payable within one year (accounts payable, and wages payable) while long-term liabilities refer primarily to bonds payables, pension liabilities, and other long-term liabilities.

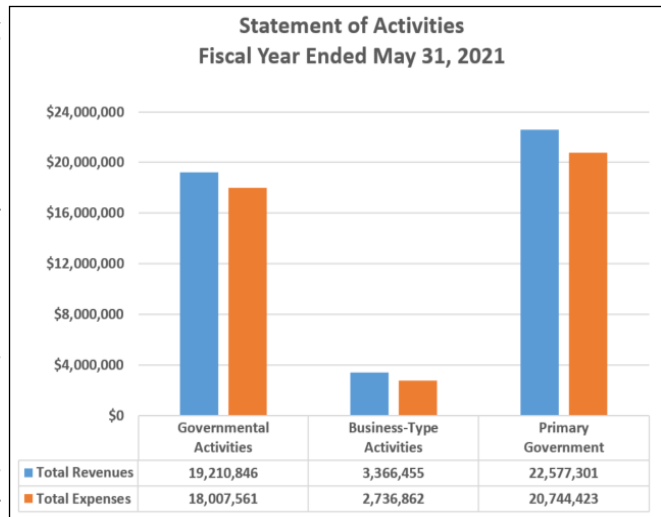
Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Governmental activities are for the operation of the Village that relate to general government, public safety, public works and sanitation. Business-type activities refer to the Village’s water provision operations. Total primary government refers to the entire Village (Governmental and Business-Type Activities). The Village’s reported total unrestricted net position was \$12,534,212 as of May 31, 2021.

	<b>Governmental Activities 2021</b>	<b>Business-Type Activities 2021</b>	<b>Total Primary Government 2021</b>
Current and Other Assets	\$ 30,410,820	\$ 7,318,868	\$ 37,729,688
Capital Assets	90,202,381	25,109,852	115,312,233
<b>Total Assets</b>	<b>120,613,201</b>	<b>32,428,720</b>	<b>153,041,921</b>
Pension Items	2,832,650	143,656	2,976,306
Unamortized Loss on Refunding	166,370	-	166,370
Asset Retirement Obligations	-	722,500	722,500
<b>Deferred Outflows</b>	<b>2,999,020</b>	<b>866,156</b>	<b>3,865,176</b>
Long-Term Liabilities	17,459,848	5,291,199	22,751,047
Current & Other Liabilities	3,638,186	569,636	4,207,822
<b>Total Liabilities</b>	<b>21,098,034</b>	<b>5,860,835</b>	<b>26,958,869</b>
Pension Items	3,041,940	149,832	3,191,772
Deferred Revenue	3,444,457	-	3,444,457
<b>Deferred Inflows</b>	<b>6,486,397</b>	<b>149,832</b>	<b>6,636,229</b>
Net Position:			
Net Investment in Capital Assets	85,736,908	20,723,624	106,460,532
Restricted	4,317,255	-	4,317,255
Unrestricted	5,973,627	6,560,585	12,534,212
<b>Total Net Position</b>	<b>\$ 96,027,790</b>	<b>\$ 27,284,209</b>	<b>\$ 123,311,999</b>

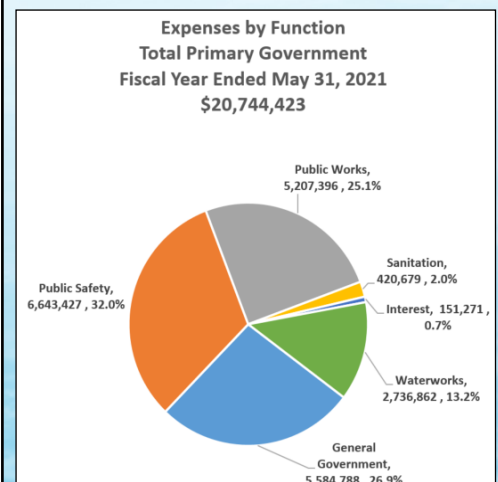
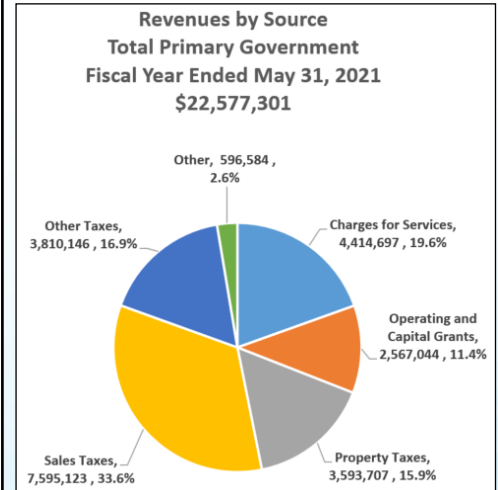
# Statement of Activities

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

Both of the government-wide financial statements distinguish functions of the Village 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). Governmental activities reflect the Village's basic services, including general government, public safety, public works and sanitation. Business-type activities include the Village's water provision operations. The Village's total Net Position increased \$1,832,878 in Fiscal Year 2021.



	Governmental Activities 2021	Business-Type Activities 2021	Total Primary Government 2021
<b>REVENUES</b>			
Program Revenues:			
Charges for Services	\$ 1,341,871	\$ 3,072,826	\$ 4,414,697
Operating Grants	2,349,712	-	2,349,712
Capital Grants/Contributions	117,194	100,138	217,332
General Revenues:			
Property & Repl Taxes	3,647,787	-	3,647,787
Sales Taxes	7,595,123	-	7,595,123
Other Taxes	1,639,037	-	1,639,037
Shared Income Taxes	2,117,029	-	2,117,029
Other	403,093	193,491	596,584
<b>Total Revenues</b>	<b>19,210,846</b>	<b>3,366,455</b>	<b>22,577,301</b>
<b>EXPENSES</b>			
General Government	5,584,788	-	5,584,788
Public Safety	6,643,427	-	6,643,427
Public Works	5,207,396	-	5,207,396
Sanitation	420,679	-	420,679
Interest	151,271	-	151,271
Waterworks	-	2,736,862	2,736,862
<b>Total Expenses</b>	<b>18,007,561</b>	<b>2,736,862</b>	<b>20,744,423</b>
<b>Change in Net Position</b>	<b>\$ 1,203,285</b>	<b>\$ 629,593</b>	<b>\$ 1,832,878</b>
<b>Net Position, June 1 Restate</b>	<b>\$ 94,824,505</b>	<b>\$ 26,654,616</b>	<b>\$ 121,479,121</b>
<b>Net Position, May 31</b>	<b>\$ 96,027,790</b>	<b>\$ 27,284,209</b>	<b>\$ 123,311,999</b>







## **Village Department Heads**

<b>Village Administrator</b>	Steve Bosco
<b>Community Development Director</b>	Mike Toth
<b>Finance Director</b>	Bill Hannah
<b>Police Chief</b>	David Fisher
<b>Public Works Director</b>	John Laskowski

## **Additional Financial Data**

The financial data presented in the PAFR is derived from the Village of North Aurora's Comprehensive Annual Financial Report. The information presented in the PAFR is consistent with Generally Accepted Accounting Principles (GAAP). The PAFR presents selected financial information from the Comprehensive Annual Financial Report. Additional information on individual funds is available in the Comprehensive Annual Financial Report. The Comprehensive Annual Financial Report also contains more detailed financial information and note disclosures regarding the Village's financial position for the year and users should review the Comprehensive Annual Financial Report for more information.

The Comprehensive Annual Financial Report can be located on-line at the following address:  
**<https://northaurora.org/departments/finance-department/financial-reports-budgets/>**

In addition to the most current Comprehensive Annual Financial Report, users can find an on-line version of the PAFR as well as other documents including the Village's Annual Budget and annual Treasurer's Report.

**Thank you for reading the 2021 Popular Annual Financial Report!**

If you have any questions regarding the fiscal condition of the Village of North Aurora please contact Finance Director Bill Hannah at (630) 906-7374.



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Village of North Aurora: @VillageofNorthAurora  
North Aurora Police Department: @NorthAuroraPolice  
North Aurora Days: @NorthAuroraDays