



# Village of North Aurora, Illinois



## Annual Comprehensive Financial Report

For Fiscal Year Ended May 31, 2023

**VILLAGE OF NORTH AURORA, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED MAY 31, 2023**

**Prepared by:**

**Jason Paprocki**  
**Finance Director**

**Mandy Flatt**  
**Finance and Human Resources Manager**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of North Aurora, Illinois including:

List of Principal Officials

Organizational Chart

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting



**VILLAGE OF NORTH AURORA, ILLINOIS**

List of Principal Officials

**VILLAGE PRESIDENT**

Mark Gaffino

**VILLAGE BOARD OF TRUSTEES**

Carolyn Bird-Salazar

Jason Christiansen

Laura Curtis

Mark Guethle

Michael Lowery

Todd Niedzwiedz

**VILLAGE CLERK**

Jessica Watkins

**VILLAGE ADMINISTRATOR**

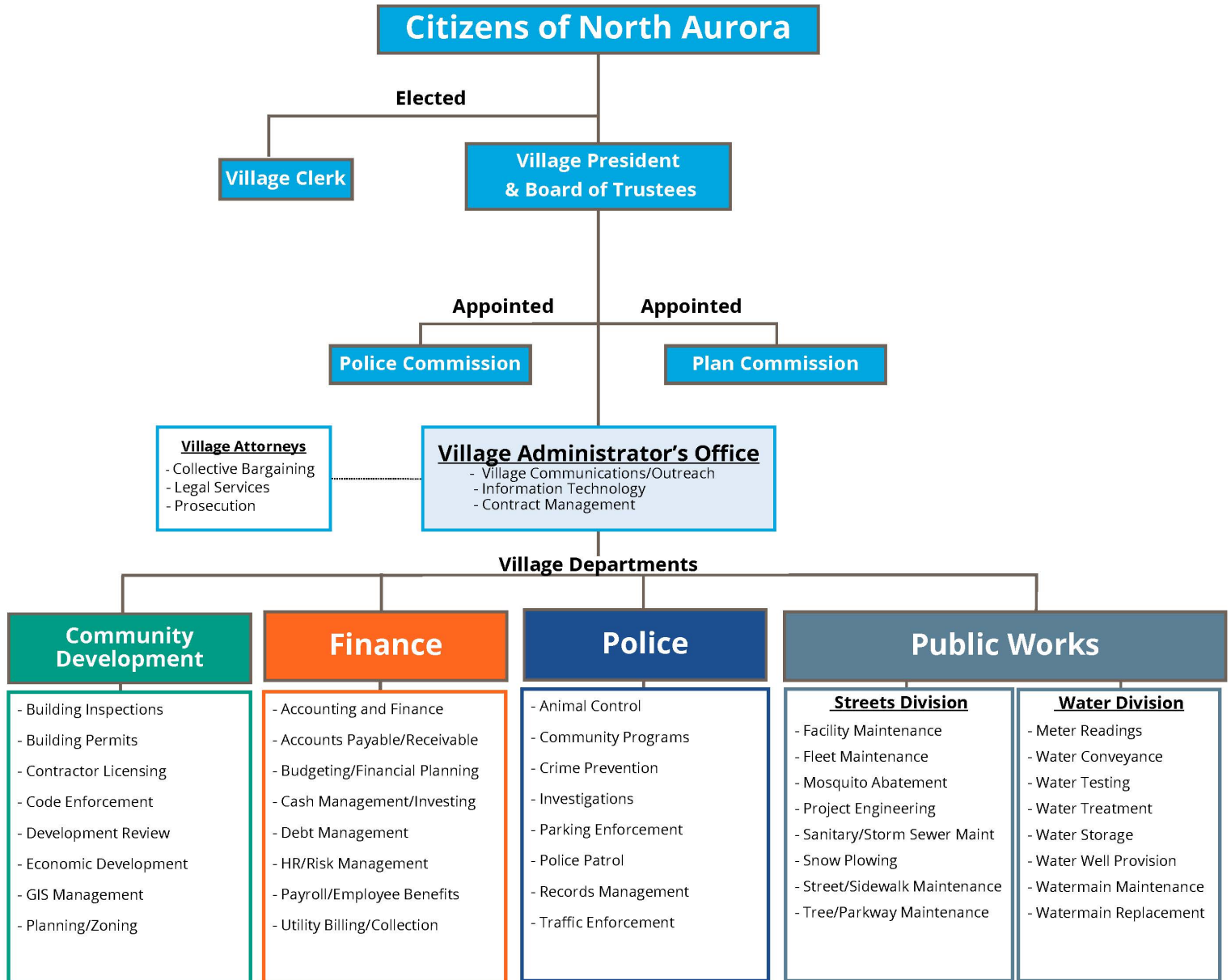
Steven Bosco

**DEPARTMENT HEADS**

Jason Paprocki	Finance Director/Treasurer
Brian Richter	Public Works Director
Joseph DeLeo	Police Chief
Nathan Darga	Community Development Director



## Village of North Aurora Organization Chart







October 13, 2023

President Mark Gaffino  
Board of Trustees  
Citizens of the Village of North Aurora

The Annual Comprehensive Financial Report (ACFR) of the Village of North Aurora for the fiscal year ended May 31, 2023 is hereby submitted. This report provides a comprehensive view of the Village's financial activities for the year and financial position at May 31, 2023. Illinois statutes require that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principals (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In producing this report, the Village has chosen to provide financial information that is significantly greater than that which is required under state law or by GAAP.

Responsibility for both the accuracy of the information presented in this report as well as the completeness and fairness of the presentation, including all disclosures, rests with the Village. To provide a reasonable basis for making these representations, management of the Village of North Aurora has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of North Aurora's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach & Amen, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village for the fiscal year ended May 31, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the Village's financial statements for the fiscal year ended May 31, 2023 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **Profile of the Village of North Aurora and Reporting Entity**

The Village was incorporated in 1905 and operates under the trustee/administrator form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Village President and a six-member Board of Trustees. The President and Trustees are elected on an at-large basis to overlapping four-year terms. Various committees consisting of three Village Board members are also created from time-to-time to focus on specific projects or functional areas. 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.

Located approximately 38 miles west of the downtown of the City of Chicago in southeast Kane County, the Village occupies a land area of 7.73 square miles. The Village has experienced rapid growth in the last twenty years from a population of 5,490 in 1990 to a 2020 census count of 18,261. The Village is projected to reach a population of 21,000 by 2025. Additional growth beyond 21,000 is likely given the developable areas in the current incorporated boundaries and additional areas with potential for annexation in current boundary agreements.

The Village provides a full range of services including police protection and investigation, maintenance of streets and infrastructure, water provision, treatment and service, water lines and maintenance of sanitary and storm sewer lines, building inspection and code enforcement, and general administrative/finance services. The Village has a total authorized employment level of 69.1 full-time equivalents for fiscal 2022-23. Solid waste collection and recycling services are administered by the Village through a contract with a private firm. 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.

The financial reporting of the Village of North Aurora is comprised of all funds of the primary government (i.e., the Village of North Aurora as legally defined) and its pension trust fund, the North Aurora Police Pension Fund. The Police Pension Fund was determined to be a pension trust fund due to its fiduciary and fiscal relationship with the Village as their sole purpose is to provide retirement benefits to the Village's sworn police officers. The Village does not have any other reporting units which would qualify as a discretely presented component unit in the separate column of the government-wide financial statements.

## **Budgeting System and Control**

The annual budget serves as the foundation for the Village of North Aurora's financial planning and control. The budget process typically begins in January with the issuance of budget information and instructions to Department Heads from the Finance Director, who is appointed as the Budget Officer. Appointment of a Budget Officer is required per State statute for municipalities who have adopted the Budget Act in lieu of the Appropriations Act. Department Heads are required to submit a proposed budget to the Finance Director and Village Administrator in February of each year. The proposed budgets from each department are discussed and revisions made based on the projected financial outlook and Village priorities. Summaries of the proposed budgets are made and discussed at the Committee level. The draft budget is then prepared and issued in March and then discussed with the Village Board. Any additions, deletions and changes are made at subsequent Committee of the Whole and Village Board meetings. Finally, a required public hearing is held on the draft budget prior to budget adoption in May. The final budget must be adopted prior to the beginning of the fiscal year.

The annual budget is prepared by fund and department and includes information on past fiscal years, current year budget and projected and draft budget for next fiscal year. The Budget Officer may transfer budget amounts between objects; however, transfers between departments in the General Fund, transfers between funds or increases/decreases in the total budget of a fund must be approved by the Village Board. Expenditures may not legally exceed budget at the department level for the General Fund and at the fund level for other funds. Budget-to-actual comparisons are provided in this report for each fund for which a budget is adopted. For the General Fund and Route 31 TIF Fund, this comparison is presented on pages [94](#) and [95](#) as part of the required supplementary information. For other funds with appropriated budgets, this comparison is presented in the combining and individual fund financial statements and schedules.

## Factors Affecting Financial Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village of North Aurora operates.

**Local Economy and Revenues.** The Village of North Aurora has a diversified commercial and retail base balanced with various industrial uses. This is due to the strategic location of the Village along Interstate I-88 with access from both State Rt. 31 and Orchard Road. Other major roads providing access to the Village include Rt. 25 running parallel along the Fox River, Rt. 56 to the East and Randall Road. Development in the Village continues to be very strong. A developer continued construction of a significant new residential development consisting of 374 senior age-targeted homes on the former Fox Valley golf course on Rt. 25. Construction of the remaining vacant lots (approximately 70 in total) in the Moose Lakes Estates subdivision is also expected to begin this year. The Village also facilitated development discussions for several commercial and residential developments focusing on apartments and town homes in various locations within the Village. There continues to also be interest in the various warehouse/distribution centers in targeted areas within the Village.

The Village has also worked with other neighboring communities to update various boundary agreements which will provide for careful planning for unincorporated areas through the development of annexations and annexation agreements for future development. North Aurora continues to be a desirable place for residential, commercial, and industrial development.

As anticipated, the taxable equalized assessed valuation (EAV) within the Village increased again for the 2022 levy, the ninth consecutive year of increases going back to 2014. The Village's 2022 taxable EAV increased 7.4% to \$653,997,524. Some of the increase was due to the addition of \$9,048,130 in new construction EAV. Preliminary information for the 2023 tax year shows that the EAV for current property will increase again, evidence that the overall value of property in North Aurora will continue to appreciate in value in the near future. The Village maintains and continues to maintain a developed land area with a balanced mix of residential (77.9%), commercial (14.8%) and industrial (7.2%) uses.

Overall economic and retail activity within the Village continued to remain strong. General Fund sales tax revenue increased by 2.2% during the year, due to an increase in sales of food and titled vehicles. State-shared income tax revenue decreased slightly by 1.3% during the year due to a decrease in State per capita distributions. The Village's overall retail environment remains strong, with many new businesses and development planned in the near future.

**Bond Rating.** The long-term, future outlook for the Village remains very positive, given the Village's location along Interstate 88 and developable area for both commercial, residential and industrial uses. The Village's underlying bond rating from Standard and Poor's was confirmed in March, 2017 at AA+. S&P at the time cited the Village's strong economy, budgetary performance, very strong budgetary flexibility and liquidity as some of the reasons for the rating. The Village continues to move forward advancing goals and objectives, planning for needs into the future while maintaining financial strength.

**Accomplishments.** In addition to maintaining and strengthening the Village's overall financial condition, the Village continued to advance numerous goals and objectives during the year including, but not limited to:

- Increased the hours of the contracted part-time police department social worker position from one day per week to three days per week for \$30,000
- Began the process to update of the Village Comprehensive Plan
- Created a new part-time Information Technology Assistant position in Administration to provide better service and coverage for technology issues
- Created a new Civil Engineer position in Public Works to oversee construction management, perform field inspections, and investigate areas of concern.

- Hired a full-time Police Records Specialist position due to the overall workload needs of the Police Department
- Completed a Village wide tree inventory to determine the various species and condition of over 9,000 trees
- Collected a total of 2,920 cubic yards of leaves during leaf collection program which was a historic record from inception of the program in 2009
- Continued the comprehensive review of the Village's two (2) TIF Districts, including purchasing properties and approving new TIF grants
- Completed the 2022 Street Improvement Program, which covered 5.08 miles of Village roads
- Began process for architectural design of a new Public Works facility and assessment and analysis of the site specifics
- Completed engineering for Phase II design of improvements and reconstruction of Orchard Gateway Blvd
- Began the water main replacement and corresponding road improvements for Chestnut, Locust, and Spruce
- Continued repair and replacement of equipment at the Village's two water treatment facilities, including the installation of a generator transfer switch at the East Treatment Plant
- Hired a consultant to administer our Lead Service Line Inventory and replacement program as required by the Illinois Environmental Protection Agency (IEPA)
- Started the Well #5's pump and motor improvement project. Converted the above ground discharge into pitless adapter and installed new raw water main below grade, demolished old well house and installed updated electrical controls and flow meter

**Long-Term Financial Planning.** The Village maintains long-term financial projections that assist in planning for the financing of major capital improvements, purchase and replacement of capital equipment, and analyzing the impact of changes in operating needs and services. As part of this on-going process, the Village analyzes and projects all revenues, expenditures, fund balances and other resources on a multi-year basis. This allows the Village to forecast the effects of potential changes in the economy impacting the ability of the Village to fund operations and capital projects while maintaining a strong financial position identified as a high-priority goal of the Village.

Other plans in place include the long-term road, watermain and other infrastructure improvement program which, as a result of the completion of the updated pavement condition index (PCI) study, the Village has a more comprehensive analysis of the current conditions of every road in the Village and can better prioritize which road segments will require maintenance or rehabilitation in future years. The Village also maintains a multi-year vehicle and equipment replacement program funded with an annual charge to all operating departments. Other long-term capital projects are included in the capital improvement plan as part of the annual budget that may be necessary over the next five years or beyond so the Village can plan appropriately to ensure funding is in place for those projects.

**Relevant Financial Policies.** The Village has also established various revenue, expenditure, debt, cash management, purchasing and fund balance policies which provide guidance in managing the financial and budgetary affairs of the Village. These policies include a requirement for the maintenance of a minimum fund balance in the General Fund of 40% to 50% of annual expenditures and transfers of resources out of the General Fund for the purpose of debt repayment. This requirement was not only met but exceeded at the end of the year, as the General Fund reserve was 68.8% as of May 31, 2023. The Village also maintains a policy to not use one-time revenues for continuing expenditures. During the year one-time revenues were allocated for future capital projects, and as an additional police pension contribution.

**Awards and Acknowledgements.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of North Aurora for its ACFR for the fiscal year ended May 31, 2022. This was the 22<sup>nd</sup> consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied 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 our current ACFR 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.

The Village also produced and distributed a Popular Annual Financial Report (PAFR) for fiscal year ended May 31, 2022. The Village received from the GFOA an Award for Outstanding Achievement in Popular Annual Financial Reporting, a national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. This was the 6<sup>th</sup> consecutive year that the Village has received this award.

In addition, the Village of North Aurora received the GFOA's Distinguished Budget Presentation Award for the fiscal year 2022-23 Budget. This marks the 18<sup>th</sup> consecutive year the Village has received this award. In order to qualify for this award, a governmental unit must publish and present a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The preparation of this report on a timely basis would not have been possible without the efficient and dedicated services of Finance Department and other Village staff throughout the year, especially Accounting and Finance Manager Mandy Flatt and Accountant Joy Ganster. I would like to extend my appreciation to the President and Trustees of the Village Board for their interest and support in supporting the establishment of prudent financial policies and processes and support in conducting the financial operations of the Village in a responsible and progressive manner.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to be 'JP' or 'Jason Paprocki', written in a cursive style.

Jason Paprocki  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of North Aurora  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

May 31, 2022

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules



## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Village's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

October 13, 2023

The Honorable Village President  
Members of the Board of Trustees  
Village of North Aurora, Illinois

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of North Aurora (the Village), Illinois, as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the Village, as of May 31, 2023, 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.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and required pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of North Aurora, Illinois' basic financial statements. The other supplementary information and supplemental 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 basic financial statements. The 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2023, on our consideration of the Village'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 the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Management's Discussion and Analysis

May 31, 2023 (Unaudited)

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As the management of the Village of North Aurora (the “Village”), we offer readers of the Village’s financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2023. Since the Management’s Discussion and Analysis (MD&A) is designed to focus on the current year’s activities, resulting changes and currently known facts, please read it in conjunction with the Letter of Transmittal beginning on page [3](#) and the Village’s financial statements beginning on page [30](#).

### Financial Highlights

- The Village’s total net position increased by \$5.2 million, or 4.0%, to \$136.6 million during the fiscal year ending May 31, 2023.
- The governmental net position increased by \$3.1 million, or 3.0%, to \$105.9 million.
- The business-type activities net position increased by \$2.1 million, or 7.5%, to \$30.6 million.
- The Village’s combined Governmental Funds ending fund balances increased \$3.4 million, or 13.8%, to \$28.0 million as of May 31, 2023.
- As of May 31, 2023, the unassigned fund balance for the General Fund was \$8.6 million, which is 68.8% of General Fund expenditures and transfers out for debt service.

### Overview of the Financial Statements

The focus of the financial statements is on the Village as a whole (government-wide) and on the major individual funds (fund financials). Both perspectives (government-wide and fund financials) allow the user to address the Village’s financial health, broaden the basis for comparison (year to year or government to government), and enhance the Village’s accountability.

This discussion and analysis is intended to serve as an introduction to the Village’s basic financial statements. The Village’s basic financial statements comprise three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Village’s finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the Village’s assets and liabilities, along with deferred outflows and inflows of resources, with the difference between them 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 Village is improving or deteriorating.

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*). The governmental activities reflect the Village’s basic services, including general government, public safety, public works, and sanitation. The business-type activities include the Village’s water provision operations.

The government-wide financial statements can be found on pages [30](#) through [45](#) of this report.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

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**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 Village, 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 Village 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 may be 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 Village maintains ten (10) individual governmental funds. Information is presented separately in the governmental fund balance sheet (beginning page [35](#)) and in the governmental fund statement of revenues, expenditures (beginning page [37](#)), and changes in fund balances for the General Fund, the Route 31 TIF Fund, and the Capital Projects Fund, which are considered to be major funds. Data from the other seven (7) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**Proprietary Funds.** The Village 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 Village uses separate enterprise funds to account for its water system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for the cost of accumulating funds to replace Village vehicles and equipment and to account for compensated absences related to governmental funds. Because all of these services predominantly benefit 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 statement provides information for the Waterworks Fund. 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 is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages [39](#) through [43](#) 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 Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains one fiduciary fund. The basic fiduciary fund financial statements can be found on pages [44](#) and [45](#) of this report.



## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

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Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages [46](#) through [81](#) of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget to actual comparisons, information regarding the Village's obligation to provide other post-employment benefits to its employees and schedules of information concerning the Village's participation in pension systems. Required supplementary information can be found on pages [82](#) to [96](#).

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining, individual fund statements and schedules and other supplementary information can be found on pages [97](#) through [121](#) of this report.

**Government-Wide Statements** Beyond presenting current-year financial information in the government-wide and major individual fund formats, the Village also presents comparative information from the prior year in the Management's Discussion and Analysis. By doing so, the Village believes that it is providing the best means of analyzing its financial condition and position as of May 31, 2023.

**Net Position.** The following table reflects the condensed Statement of Net Position compared to the prior year.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Management's Discussion and Analysis

May 31, 2023 (Unaudited)

Table 1 Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 38,812,846	36,017,001	11,550,491	8,350,398	50,363,337	44,367,399
Capital Assets	94,249,265	93,421,838	25,351,084	24,899,051	119,600,349	118,320,889
Total Assets	133,062,111	129,438,839	36,901,575	33,249,449	169,963,686	162,688,288
Pension Items	5,998,848	4,091,974	208,079	96,855	6,206,927	4,188,829
Unamortized Loss	124,778	145,574	—	—	124,778	145,574
Deferred Outflows	—	—	687,500	705,000	687,500	705,000
Total Deferred Outflows	6,123,626	4,237,548	895,579	801,855	7,019,205	5,039,403
Total Assets/Deferred Outflows	139,185,737	133,676,387	37,797,154	34,051,304	176,982,891	167,727,691
Non-Current Liabilities	24,368,062	19,871,056	4,744,667	4,733,726	29,112,729	24,604,782
Current Liabilities	5,004,431	4,855,089	1,348,999	596,759	6,353,430	5,451,848
Total Liabilities	29,372,493	24,726,145	6,093,666	5,330,485	35,466,159	30,056,630
Pension Items	183,574	1,456,303	16,076	232,714	199,650	1,689,017
Deferred Inflows	3,694,984	4,635,619	1,051,806	—	4,746,790	4,635,619
Total Deferred Inflows	3,878,558	6,091,922	1,067,882	232,714	4,946,440	6,324,636
Total Liabilities/Deferred Inflows	33,251,051	30,818,067	7,161,548	5,563,199	40,412,599	36,381,266
Net Position						
Net Investment in Capital Assets	90,796,410	89,457,674	21,476,565	20,861,210	112,272,975	110,318,884
Restricted	3,684,228	3,579,902	—	—	3,684,228	3,579,902
Unrestricted	11,454,048	9,820,744	9,159,041	7,626,895	20,613,089	17,447,639
Total Net Position	105,934,686	102,858,320	30,635,606	28,488,105	136,570,292	131,346,425

**Current Year Impacts on Net Position.** The Village's total net position increased \$5,223,867, or 4.0%, to \$136,570,292. Net position increased for governmental activities by \$3,076,366, or 3.0%, to \$105,934,686. Net position for business-type activities increased by \$2,147,501, or 7.5%, to \$30,635,606.

The governmental activities total assets increased \$3,623,272, or 2.8%, to \$133,062,111. This was due to an increase in cash and investments on hand from major tax revenues coming in higher than projected.

Deferred outflows of resources for governmental activities increased \$1,886,078, or 44.5% to \$6,123,626. This was due to a significant increase in outflows related to police pension and IMRF pension, which increased \$1,906,874, or 46.6%, to \$5,998,848. This increase was primarily due to the net difference between actual and expected plan experience and projected and actual earnings on pension plan investments.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

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Governmental activities liabilities increased \$4,646,348, or 18.8%, to \$29,372,493. This was due to:

- An increase in the net pension liability for police pension of \$2,846,941, or 19.2% to \$17,676,390 due to unfavorable plan experience from the disablement of one active employees and investment returns falling short of assumptions.
- An increase in accounts payable of \$538,428, or 32.3%, to \$2,204,804 due to the ongoing capital projects.
- A change in the IMRF net pension asset of \$35,273 last year to a net pension liability of \$1,990,965 as of May 31, 2023, for a total increase of \$2,026,238. This is primarily due to investment returns falling short of assumptions.
- A decrease in net general obligation bonds payable of \$511,309, or 12.9%%, to \$3,452,855 related to the annual principal payment and amortization of bond premium.

Deferred inflows of resources for governmental activities decreased \$2,213,364, or 36.3%, to \$3,878,558. The decrease relates to the reclassification of deferred ARPA grant revenue from governmental to business-type and decrease in Police and IMRF pension deferred inflows from unfavorable investment returns.

Total assets of business-type activities increased \$3,652,126, or 11.0%, to \$36,901,575. This was due to an increase of \$2,874,465, or 36.1%, to \$10,840,632 in cash and investments held at the end of the year due to the delay of budgeted capital projects and unspent grant money. Net capital assets also increased during the year by \$452,033, or 1.8%, to \$25,351,084, due to watermain and water well projects during the year.

Deferred outflows of resources of business-type activities increased \$93,724, or 11.7%, to \$895,579. The deferred outflow related to the IMRF pension increased due to unfavorable plan experience. This was offset by the amortization of outflows related to asset retirement obligations for to the Village's deep water wells and certain treatment plant items.

Total liabilities of business-type activities increased \$763,181, or 14.3%, to \$6,093,666. This was primarily due to an increase in accounts payable related to capital projects in progress at year end and the change in IMRF net pension asset last year to a net pension liability as of May 31, 2023.

Deferred inflows of resources for business-type activities increased \$835,168, or 358.9%, to \$1,067,882 as a result of deferred ARPA grant revenue being reclassified from governmental to business-type.

Of the Village's \$136,570,292 total net position at May 31, 2023, \$112,272,975, or 82.2%, are net investments in capital assets (capital assets less related outstanding debt). The Village's total unrestricted net position as of May 31, 2023 increased by \$3,165,450, or 18.1%, to \$20,613,089 for the year. Unrestricted net position for governmental activities increased \$1,633,304, or 16.6%, to \$11,454,048 due to an increase in cash and investments from revenues coming in higher than projected. Restricted net position for governmental activities increased \$104,326, or 2.9%, to \$3,684,228. Unrestricted net position for business-type activities increased \$1,532,146, or 20.1%, to \$9,159,041 due to positive operating performance during the year for the Water Fund and the timing of certain capital projects. The Village retains a positive net position in all categories for both governmental and business-type activities For more detailed information, see the Statement of Net Position beginning on page [31](#).

# VILLAGE OF NORTH AURORA, ILLINOIS

## Management's Discussion and Analysis

May 31, 2023 (Unaudited)

**Statement of Activities.** The following table summarizes revenue and expenses of the Village's activities.

Table 2 Statement of Activities						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 2,000,707	1,811,462	3,393,830	3,242,430	5,394,537	5,053,892
Operating Grants/Contributions	809,246	787,718	—	—	809,246	787,718
Capital Grants/Contributions	268,870	3,559,164	1,733,131	728,271	2,002,001	4,287,435
General Revenues						
Property and Replacement Taxes	3,479,285	3,530,341	—	—	3,479,285	3,530,341
Sales Taxes	8,907,865	8,649,007	—	—	8,907,865	8,649,007
Other Taxes	1,928,628	1,806,350	—	—	1,928,628	1,806,350
Shared Income Taxes	2,810,212	2,847,016	—	—	2,810,212	2,847,016
Other	2,174,890	226,875	415,637	228,374	2,590,527	455,249
Total Revenues	22,379,703	23,217,933	5,542,598	4,199,075	27,922,301	27,417,008
Expenses						
General Government	3,607,406	3,058,958	—	—	3,607,406	3,058,958
Public Safety	8,842,059	7,159,659	—	—	8,842,059	7,159,659
Public Works	6,060,122	5,627,917	—	—	6,060,122	5,627,917
Sanitation	676,321	411,111	—	—	676,321	411,111
Interest on Long-Term Debt	117,429	129,758	—	—	117,429	129,758
Waterworks	—	—	3,395,097	2,995,179	3,395,097	2,995,179
Total Expenses	19,303,337	16,387,403	3,395,097	2,995,179	22,698,434	19,382,582
Change in Net Position	3,076,366	6,830,530	2,147,501	1,203,896	5,223,867	8,034,426
Net Position - Beginning	102,858,320	96,027,790	28,488,105	27,284,209	131,346,425	123,311,999
Net Position - Ending	105,934,686	102,858,320	30,635,606	28,488,105	136,570,292	131,346,425

# VILLAGE OF NORTH AURORA, ILLINOIS

## Management's Discussion and Analysis

May 31, 2023 (Unaudited)

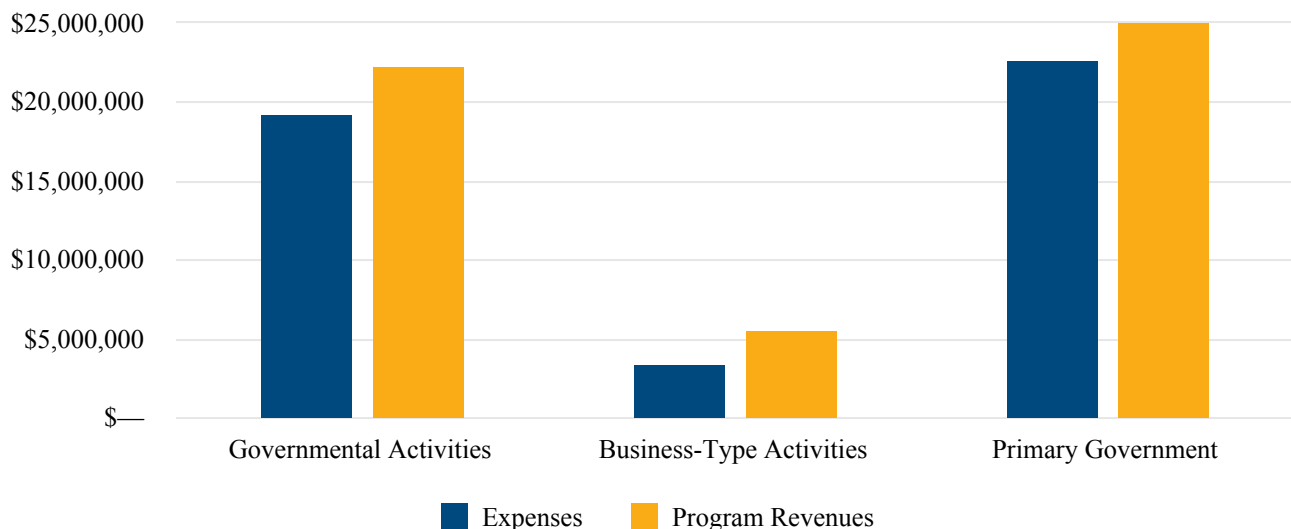
### Change in Net Position

Total revenues for governmental activities decreased \$838,230, or 3.6%, to \$22,379,703 primarily due to a significant decrease in capital grants/contributions due to infrastructure contributions received related to the Lincoln Valley subdivision last year. This was partially offset by increases in permit related revenues related to continued residential and commercial development. In other categories, sales taxes increased \$258,858, or 3.0%, over the prior year to \$8,907,865 due to an increase in vehicle sales from the auto mall and other essential household items from retailers. Shared income taxes decreased \$36,804, or 1.3%, to \$2,810,212. This was due to worse than anticipated individual and corporate tax returns collections by the State. Charges for services increased \$189,245, or 10.4%, to \$2,000,707. This was primarily driven by the amount of building permits issued by the Village. Other tax revenue increased by \$122,278, or 6.8%, to \$1,928,628 due to increases in utility taxes, use tax, and video gaming taxes. Other revenue increased significantly by \$1,948,015, or 858.6%, to \$2,174,890 due a significant increase in investment income as a result of the increases in market value in Village investments and permit related revenue.

Expenses for governmental activities increased \$2,915,934, or 17.8%, to \$19,303,337. General Government expenses increased \$548,448, or 17.9%, to \$3,607,406 primarily due to adjustments in IMRF pension related items. Expenses for Public Safety increased by \$1,682,400, or 23.5%, to \$8,842,059 due to adjustments in pension related items. Public Works expenses increased \$432,205, or 7.7%, to \$6,060,122, due to increased engineering costs related to ongoing capital projects, including the annual road improvement projects and public works facility. Sanitation expenses increased \$265,210, or 64.5%, to \$676,321 due to an increase in general sanitary sewer maintenance activities and vehicle repairs.

Revenues for business-type activities increased \$1,343,523, or 32.0%, to \$5,542,598. This was due to an increase in capital grants/contributions related to American Rescue Plan Act (ARPA) grant revenue recognized. Charges for services increased by \$151,400, or 4.7%, to \$3,393,830 as total Waterworks Fund charges for water services increased due to more water permits issued as the result of new development in the Village. Expenses for business-type activities increased \$399,918, or 13.4%, to \$3,395,097 due to an increase in operating expenses during the year, partially due to repairs and maintenance of the water system.

### Statement of Activities Fiscal Year Ended May 31, 2023

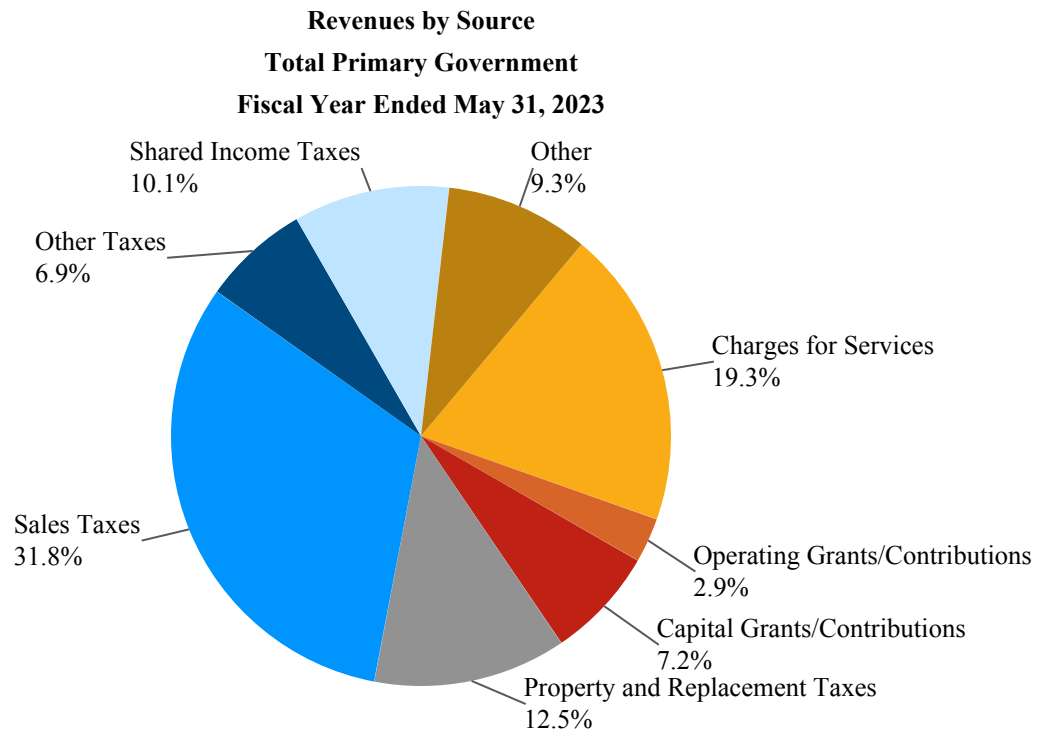


## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

**Revenues.** Total primary government revenues for the fiscal year ended May 31, 2023 were \$27,922,301. As the chart below shows, 31.8% of revenues were from sales taxes including the normal state-shared 1%, non-home rule 0.50%, and the 3% recreational cannabis sales tax. In addition, 19.3% was from charges for services, 10.1% was from operating and capital grants and contributions, and 12.5% was from property taxes. Tax revenues make up the largest revenue source for the Village. Sales taxes were the largest single source of revenues received at \$8,907,865 and property taxes, levied to support various purposes, special service areas, or received as TIF revenues, were \$3,479,285. Charges for services of \$5,394,537 consist primarily of building permits at \$693,684, cable franchise fees of \$255,621, and water usage sales at \$2,527,843.

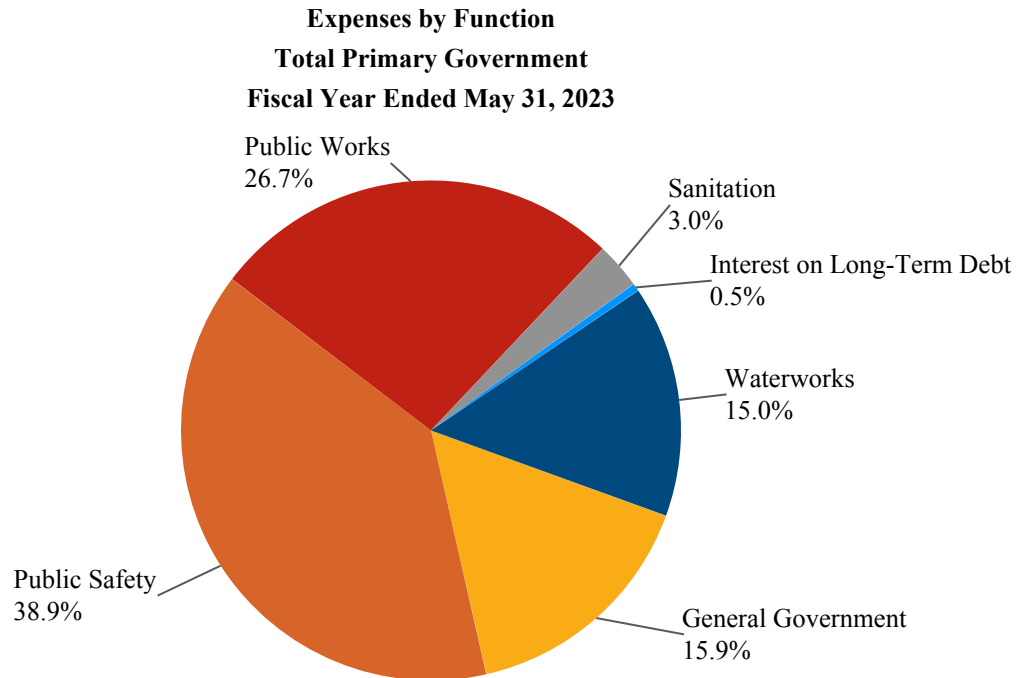


## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

**Expenses.** Total primary government expenses for the year were \$22,698,434. Public Works expenses related to the Village's street maintenance and capital projects accounted for 26.7% of the total expenses, or \$6,060,122. Public Safety expenses related to the Village's Police Department operations accounted for 38.9% of total expenses, or \$8,842,059. The Village's waterworks operations accounted for 15.0% of total expenses, or \$3,395,097. Together, these three operational areas account for 80.6% of total expenses.



### Financial Analysis of the Village's Funds

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

#### Governmental Funds

For the fiscal year ended May 31, 2023, the governmental funds reported total combined ending fund balances of \$28,015,389. This was an increase of \$3,406,474, or 13.8%, from the last year. Of the total ending fund balances, \$8,643,085 is unassigned and can be used for any purpose. The largest portion of governmental fund balance is assigned, at \$15,395,889, and is assigned primarily for capital projects.

**General Fund.** The General Fund is the major operating fund of the Village providing for most operating services to the community including police protection, public works, and Village Hall services including finance, community development and administration. The primary sources of funding for these services are sales taxes, state-shared income taxes, and property taxes. At the end of the year, unassigned fund balance of the General Fund was \$8,643,085 out of a total fund balance in the General Fund of \$8,943,930. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year and as a measure of the General Fund's liquidity. At the end of the year, unassigned fund balance represents 68.8% of total General Fund expenditures plus transfers out for debt service. This ratio is well above the Village's policy of maintaining a 40% to 50% fund balance (exclusive of nonspendable portions).



# VILLAGE OF NORTH AURORA, ILLINOIS

## Management's Discussion and Analysis

May 31, 2023 (Unaudited)

Table 3  
General Fund Budget vs. Actual  
For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	\$ 2,823,500	2,823,500	2,959,610	136,110
Intergovernmental	9,694,000	9,694,000	11,077,549	1,383,549
Licenses and Permits	485,400	485,400	1,024,535	539,135
Charges for Services	333,900	333,900	353,201	19,301
Fines and Forfeitures	233,000	233,000	268,306	35,306
Investment Income	35,000	35,000	261,497	226,497
Miscellaneous	16,500	16,500	10,600	(5,900)
Total Revenues	13,621,300	13,621,300	15,955,298	2,333,998
Expenses				
General Government	2,367,311	2,557,791	2,499,947	(57,844)
Public Safety	7,070,784	6,991,059	6,892,065	(98,994)
Public Works	2,821,812	2,713,862	2,537,845	(176,017)
Total Expenses	12,259,907	12,262,712	11,929,857	(332,855)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,361,393	1,358,588	4,025,441	2,666,853
Other Financing Sources (Uses)				
Insurance Claim Reimbursement	50,000	50,000	18,427	(31,573)
Transfers Out	(1,236,596)	(3,636,596)	(3,636,596)	—
	(1,186,596)	(3,586,596)	(3,618,169)	(31,573)
Net Change in Fund Balance	174,797	(2,228,008)	407,272	2,635,280
Fund Balance - Beginning			8,536,658	
Fund Balance - Ending			8,943,930	

During the year, General Fund revenues increased \$663,607, or 4.3%, to \$15,955,298. Intergovernmental revenues came in at \$11,077,549, which was \$1,383,549 over budget for the year. One of the primary reasons relates to sales tax revenue. Sales tax came in at \$800,965 over budget this year. Sales tax revenue generated from the North Aurora Auto Mall continued to increase over the prior year as demand for vehicles remained high and sales prices have increased. Finally, sales tax continues to increase due to the implementation on of the State's new law requiring out-of-state retailers to pay sales tax directly to the municipalities rather than paid as use tax. State shared income tax revenue came in \$460,212 over budget due to better than anticipated corporate and individual tax returns.

Licenses and permits revenue came in at \$1,024,535 for the year, which was \$539,135 over budget. This is primarily due to building permit revenue, which came in at \$393,684 over budget due to the continued development of a new residential subdivision and other major commercial developments.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

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Investment income came in at \$261,497, which was \$226,497 over budget. The Village's investment portfolio has seen significant increases in yields over the past year, with the weighted average of the portfolio at 4.1% as of May 31, 2023.

General Fund expenditures increased \$739,627, or 6.6%, to \$11,929,857. However, expenditures came in \$332,855 under the final amended budget for the year. General government expenditures increased \$276,924, or 12.5%, to \$2,499,947 and came in \$57,844 under budget. This was primarily due to normal salary and benefit increases and an increase in contracted inspection services. The increase in contracted inspection services is offset by the increase in building permit fees.

Public safety expenditures for police department operations increased by \$250,557, or 3.8%, to \$6,892,065 and came in \$98,994 under budget. This was primarily due to normal salary and benefit increases and an increase in expenditures for police pension funding.

Public Works expenditures increased \$212,146, or 9.1%, to \$2,537,845 and came in \$176,017 under budget. This is primarily due to an increase in vehicle repairs and maintenance and tree/leaf removal services.

Transfers out to other funds during the year totaled \$3,636,596. Of this amount, \$636,596 was transferred out to the Police Station Debt Service Fund for required debt service payments to be made with sales tax revenue per the bond covenants. During the year, \$3,000,000 was transferred out to the Capital Projects Fund as the Village elected to set aside one-time revenues and increases in sales tax revenue for future Capital Projects that the Village is planning to undertake in the future.

**Route 31 TIF Fund.** The Route 31 TIF Fund recorded \$390,735 in revenues during the year, of which \$333,363 were TIF incremental property tax revenues. This was a decrease in TIF incremental property tax revenues of \$236,969, or 41.5%, from the prior year. Expenditures for the year were \$111,348, of which, \$106,167 was incurred in TIF grants or other payments related to redevelopment agreements. In addition, an equity transfer of \$1,020,000 was made to the United TIF Fund related to creating the new TIF. During the year, the fund balance in the Rt. 31 TIF Fund decreased from \$2,107,171 to \$1,366,558.

**Capital Projects Fund.** Total revenues during the year were \$3,347,781, an increase of \$1,216,170, or 57.1%, from the prior year. For the year, \$1,556,903 was received from the Village's 0.50% non-home rule sales tax which was an increase of \$101,436, or 7.0%, over the prior year. Revenues from the non-home rule sales tax are restricted for capital and infrastructure projects. During the year, \$374,826 of electric utility tax and \$276,001 of gas utility tax was received from the Village's 3% utility tax on gas and electricity, (kilowatt-hour equivalency) which is committed by the Village Board for roads, infrastructure and capital projects. There was a decrease of \$24,214, or 6.1%, in electric utility tax and an increase of \$35,147, or 14.6%, in gas utility tax, compared to last year. Total expenditures during the year were \$3,601,789, of which \$3,235,366 was for the annual road rehabilitation program which includes components of sidewalk replacement and new installation, and storm sewer replacement and other related infrastructure programs when needed. The Village made a transfer of \$3,000,000 from the General Fund to the Capital Projects Fund to support future capital projects. The total fund balance increased from \$10,417,001 to \$13,162,993.

**Business-Type Activities.** Total Waterworks operating revenues were \$3,393,830, an increase of \$151,400, or 4.7%, from the prior year. The largest portion of revenue relates to water usage sales which decreased \$194,749, or 7.2%, to \$2,527,843 as a result of general increases in water usage. The Village has not had a water rate increase in several years. Water permit connection fees were \$706,742, an increase from the prior year amount of \$316,446, or 81.1%, as the build out of the Lincoln Valley on the Fox subdivision continued and the permits for the Seasons apartment complex were issued. Operating expenses were \$3,277,949, an increase of \$412,629, or 14.4%, from prior year increased repair and maintenance on facilities. Total net position at the end of the year was

# VILLAGE OF NORTH AURORA, ILLINOIS

## Management's Discussion and Analysis

May 31, 2023 (Unaudited)

\$30,635,606, which includes the Waterworks Fund net investment in capital assets of \$21,476,565, leaving a remaining unrestricted net position of \$9,159,041.

**Budget Amendments.** For the year, four budget amendments were approved by the Village Board which impacted the General Fund, Motor Fuel Tax Fund, TIF Funds, Insurance Fund, Sanitary Sewer Fund, Capital Projects Fund, and Police Pension Fund. Major amendments include:

- Increased the transfer from the General Fund to the Capital Projects Fund \$2,400,000, for a total transfer of \$3,000,000.
- Transferred budget amounts between departments within the General Fund, not increasing the total budget.

**Capital Assets.** The Village's investment in capital assets for both its governmental and business-type activities as of May 31, 2023 is \$119,600,349 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles and equipment, infrastructure, sewer lines, water lines, water towers, water wells and water treatment facilities as well as intangible assets. The total increase in the Village's investment in capital assets net of accumulated depreciation for the current fiscal year was \$1,279,460, or 1.1%,.

The below schedule reflects the Village's capital asset balances as of May 31, 2023.

Table 3  
Capital Assets  
As of May 31, 2023

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Land and Right of Way	\$ 29,015,696	28,250,850	476,703	476,703	29,492,399	28,727,553
Construction in Progress	1,400,305	1,321,488	1,468,588	57,879	2,868,893	1,379,367
Buildings	12,836,437	12,836,437	—	—	12,836,437	12,836,437
Vehicles and Equipment	5,175,220	4,682,887	79,485	57,200	5,254,705	4,740,087
Infrastructure	70,670,768	69,268,505	—	—	70,670,768	69,268,505
Sewer Lines	28,702,826	28,569,358	—	—	28,702,826	28,569,358
Water Towers and Wells	—	—	6,779,662	6,745,464	6,779,662	6,745,464
Water Treatment Facilities	—	—	8,386,315	8,386,315	8,386,315	8,386,315
Water Lines	—	—	26,458,113	26,458,113	26,458,113	26,458,113
Less: Accumulated Depreciation	(53,551,987)	(51,507,687)	(18,297,782)	(17,282,623)	(71,849,769)	(68,790,310)
Totals	94,249,265	93,421,838	25,351,084	24,899,051	119,600,349	118,320,889

## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

Major capital asset additions during the fiscal year included:

- Completion of the 2022 road program, which included a total of 5.08 miles of Village roads, for a total cost of \$3,014,859.
- Starting of the 2023 road program. To date, \$1,270,865 has been incurred and is classified as construction in progress as of May 31, 2023.
- Water well #5 improvements. To date, \$728,742 has been incurred and is classified as construction in progress as of May 31, 2023.
- Watermain improvements on Chestnut, Locust, and Spruce. To date, \$681,967 has been incurred and is classified as construction in progress as of May 31, 2023.

Additional information on the Village's capital assets can be found in Note 3.

### Debt Outstanding

As of May 31, 2023, the Village had total debt outstanding of \$7,235,000 (excluding amounts deferred for issuance premiums, compensated absences, the total OPEB liabilities the net pension liabilities, and installment contracts payable). This amount is comprised of two general obligation bond alternate revenue source issuances. Of the total amount outstanding:

- \$3,760,000 is to be retired with water service charges revenue
- \$3,475,000 is to be retired with sales tax revenue

The Village is a non-home rule community and as such is subject to a legal debt limit of 8.625% of the equalized assessed value (EAV) of the Village. At May 31, 2023, the taxable EAV of the Village was \$653,997,524 which resulted in a total legal debt limit of \$56,407,286. At the end of the fiscal year, the Village has no debt which is applicable to the debt limit.

Additional information on the long-term debt of the Village can be found in Note 3 of the Notes to the Financial Statements. The following schedule summarizes the Village's bonded and similar indebtedness

Table 4  
Bonded and Similar Indebtedness  
As of May 31, 2023

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 3,475,000	3,990,000	3,760,000	4,120,000	7,235,000	8,110,000

Additional information regarding the Village's long-term debt can be found in Note 3 of this report.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Management's Discussion and Analysis

May 31, 2023 (Unaudited)

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

The Village has adhered to prudent financial management practices which has enabled it to maintain and strengthen its overall financial position and stay committed to funding the Village's long-term liabilities and allocating resources to achieve the goals and objectives of the Village Board. The Village continues to see increases in revenues due to strength in the local economy as new businesses have opened and development of vacant land for both residential, commercial, and industrial uses continues. The Village adopted a balanced budget for FY 2023-24 that continues to fund the operating needs of the Village while committing resources and portions of newer revenue sources, such as the 3% cannabis sales tax, for future capital projects. Over the past four years, the General Fund has transferred over \$9.7 million to the Capital Projects Fund for future uses. The FY 2023-24 Budget includes a transfer of \$600,000 from the General Fund to the Capital Projects Fund for future capital funding. Based on recent trends and revenue collections, it is anticipated that the Village may be in a position to consider additional transfers to the Capital Projects Fund as the year progresses. Although there are some aspects of the current economic state are uncertain, we continue to budget conservatively in order to adjust to any negative impacts.

The Village is subject to the property tax extension law limit (PTELL), which limits the increase in the Village property tax extension to the increase in the consumer price index or 5% (whichever is lesser). For the 2022 levy collected in 2023, the applicable CPI factor is 7.0%, therefore, the increase is capped at 5.0%. The Village did not apply a CPI increase to its 2022 tax levy. Over the last several years, the Village has seen a consistent increase in new construction that has added to the overall tax base of the Village. The Village's total EAV has increased from \$427,132,807 in levy year 2013 to \$653,997,524 in levy year 2022. We anticipate another increase for levy year 2023 when the final EAV numbers are available.

The Village continues to invest in the replacement of its roads and related infrastructure using committed and restricted funds, as well as applying for grants where possible. The Village remains committed to its annual road program in the Capital Projects Fund. The 2022 road program was one of the largest projects to date, covering over five miles of roads. Results from a pavement condition index (PCI) study completed in the summer 2021 will help guide the Village's selection process for road rehabilitation in the future. The Village also replaces when necessary aging water main in conjunction with the road program, or separately if necessary. In addition, planning continues for the expansion or construction of a Public Works facility, with planning and design work ongoing. A portion of the funding for the project may come from Capital Project Fund reserve balance, depending on the overall scope of the project.

The Village has completed several water system improvements over the last few of years, including the putting two new deep wells into operation, bringing the total number of deep wells serving the Village to six (6). The Village continues to evaluate the construction of a new 750,000 gallon water tower in the future, which would increase the water storage capacity for the Village to 2,250,000 gallons. Long-term planning also continues for water main replacements, which also addresses the replacement of lead service lines within the Village.

The federal government passed the American Rescue Plan Act (ARPA) which created the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program that provides federal aid to State and local governments to address the financial impacts of the coronavirus pandemic, and assist with addressing critical issues in the community. The Village was awarded \$2,457,281, received the amount in two installments in September 2021 and September 2022. To date, \$1,437,333 has been spent on water system infrastructure. The remaining award is anticipated to be spent during FY 2023-24.

## **VILLAGE OF NORTH AURORA, ILLINOIS**

### **Management's Discussion and Analysis**

**May 31, 2023 (Unaudited)**

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#### **Contacting the Village's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability of the money it receives. Questions concerning this report or requests for additional financial information should be directed to Jason Paprocki, Finance Director, Village of North Aurora, 25 East State Street, North Aurora, IL 60542.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements

- Fund Financial Statements

  - Governmental Funds

  - Proprietary Funds

  - Fiduciary Fund

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



**VILLAGE OF NORTH AURORA, ILLINOIS**

**Statement of Net Position**

**May 31, 2023**

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**See Following Page**

# VILLAGE OF NORTH AURORA, ILLINOIS

## Statement of Net Position

May 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 32,152,417	10,840,632	42,993,049
Receivables - Net of Allowances			
Property Taxes	3,570,917	—	3,570,917
Other Taxes	2,649,693	—	2,649,693
Accounts	61,875	375,914	437,789
Leases	—	32,669	32,669
Accrued Interest	17,766	5,478	23,244
Due from Other Governments	83,716	295,798	379,514
Prepays/Inventories	276,462	—	276,462
Total Current Assets	38,812,846	11,550,491	50,363,337
Noncurrent Assets			
Capital Assets			
Nondepreciable	30,416,001	1,945,291	32,361,292
Depreciable	117,385,251	41,703,575	159,088,826
Accumulated Depreciation	(53,551,987)	(18,297,782)	(71,849,769)
Total Noncurrent Assets	94,249,265	25,351,084	119,600,349
Total Assets	133,062,111	36,901,575	169,963,686
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	1,034,215	208,079	1,242,294
Deferred Items - Police Pension	4,964,633	—	4,964,633
Deferred Items - ARO	—	687,500	687,500
Unamortized Loss on Refunding	124,778	—	124,778
Total Deferred Outflows of Resources	6,123,626	895,579	7,019,205
Total Assets and Deferred Outflows of Resources	139,185,737	37,797,154	176,982,891

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 2,204,804	727,205	2,932,009
Accrued Payroll	325,477	29,990	355,467
Retainage Payable	167,109	—	167,109
Accrued Interest Payable	43,438	52,256	95,694
Other Payables	1,555,398	150,172	1,705,570
Current Portion of Long-Term Liabilities	708,205	389,376	1,097,581
Total Current Liabilities	5,004,431	1,348,999	6,353,430
Noncurrent Liabilities			
Compensated Absences Payable	391,899	19,957	411,856
Net Pension Liability - IMRF	1,990,965	400,573	2,391,538
Net Pension Liability - Police Pension	17,676,390	—	17,676,390
Total OPEB Liability - RBP	1,206,880	92,342	1,299,222
General Obligation Bonds Payable - Net	3,025,528	3,491,795	6,517,323
Installment Contracts Payable	76,400	—	76,400
Asset Retirement Obligation	—	740,000	740,000
Total Noncurrent Liabilities	24,368,062	4,744,667	29,112,729
Total Liabilities	29,372,493	6,093,666	35,466,159
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	3,694,984	—	3,694,984
Grants	—	1,019,947	1,019,947
Deferred Items - Leases	—	31,859	31,859
Deferred Items - IMRF	79,904	16,076	95,980
Deferred Items - Police Pension	103,670	—	103,670
Total Deferred Inflows of Resources	3,878,558	1,067,882	4,946,440
Total Liabilities and Deferred Inflows of Resources	33,251,051	7,161,548	40,412,599
<b>NET POSITION</b>			
Net Investment in Capital Assets	90,796,410	21,476,565	112,272,975
Restricted			
DUI Enforcement	61,576	—	61,576
Highways and Streets	1,626,909	—	1,626,909
Economic Development	1,602,315	—	1,602,315
Subdivision Improvements	144,124	—	144,124
Debt Service	249,304	—	249,304
Unrestricted	11,454,048	9,159,041	20,613,089
Total Net Position	105,934,686	30,635,606	136,570,292

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Statement of Activities For the Fiscal Year Ended May 31, 2023

	Program Revenues				Net (Expenses)/Revenues	
	Expenses	Charges for Services	Operating Grants/Contributions	Capital Grants/Contributions	Governmental Activities	Business-Type Activities
Governmental Activities						
General Government	\$ 3,607,406	1,417,736	16,418	10,000	(2,163,252)	—
Public Safety	8,842,059	268,306	—	—	(8,573,753)	—
Public Works	6,060,122	—	792,828	258,870	(5,008,424)	—
Sanitation	676,321	314,665	—	—	(361,656)	—
Interest on Long-Term Debt	117,429	—	—	—	(117,429)	—
Total Governmental Activities	19,303,337	2,000,707	809,246	268,870	(16,224,514)	—
Business-Type Activities						
Waterworks	3,395,097	3,393,830	—	1,733,131	—	1,731,864
Total Primary Government	22,698,434	5,394,537	809,246	2,002,001	(16,224,514)	1,731,864
General Revenues						
Taxes						
Property Taxes					3,348,647	—
Non-Home Rule Sales Taxes					1,556,903	—
Utility Taxes					786,492	—
Other Taxes					360,749	—
Intergovernmental - Unrestricted						
Sales Taxes					7,350,962	—
Income Taxes					2,810,212	—
Use Taxes					781,387	—
Replacement Taxes					130,638	—
Investment Income					855,744	189,640
Miscellaneous					1,319,146	225,997
					19,300,880	415,637
Change in Net Position					3,076,366	2,147,501
Net Position - Beginning					102,858,320	28,488,105
Net Position - Ending					105,934,686	30,635,606

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Balance Sheet - Governmental Funds May 31, 2023

	Special Revenue					Totals
	General	Route		Capital Projects	Nonmajor	
		31	TIF			
ASSETS						
Cash and Investments	\$ 8,812,222	1,432,725		14,610,596	4,519,311	29,374,854
Receivables - Net of Allowances						
Property Taxes	2,485,513	341,731		—	743,673	3,570,917
Other Taxes	2,118,143	—		403,661	127,889	2,649,693
Accounts	14,839	—		—	10,971	25,810
Accrued Interest	10,676	—		636	3,765	15,077
Due from Other Governments	4,350	—		67,298	—	71,648
Prepays	239,269	—		—	9,480	248,749
Total Assets	13,685,012	1,774,456		15,082,191	5,415,089	35,956,748
LIABILITIES						
Accounts Payable	516,045	66,167		1,509,944	106,235	2,198,391
Accrued Payroll	325,477	—		—	—	325,477
Retainage Payable	2,500	—		163,274	1,335	167,109
Other Payables	1,309,418	—		245,980	—	1,555,398
Total Liabilities	2,153,440	66,167		1,919,198	107,570	4,246,375
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	2,587,642	341,731		—	—	2,929,373
Grants	—	—		—	765,611	765,611
Total Deferred Inflows of Resources	2,587,642	341,731		—	765,611	3,694,984
Total Liabilities and Deferred Inflows of Resources	4,741,082	407,898		1,919,198	873,181	7,941,359
FUND BALANCES						
Nonspendable	239,269	—		—	9,480	248,749
Restricted	61,576	1,366,558		—	2,299,532	3,727,666
Assigned	—	—		13,162,993	2,232,896	15,395,889
Unassigned	8,643,085	—		—	—	8,643,085
Total Fund Balances	8,943,930	1,366,558		13,162,993	4,541,908	28,015,389
Total Liabilities, Deferred Inflows of Resources and Fund Balances	13,685,012	1,774,456		15,082,191	5,415,089	35,956,748

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

## VILLAGE OF NORTH AURORA, ILLINOIS

### Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

May 31, 2023

<b>Total Governmental Fund Balances</b>	<b>\$ 28,015,389</b>
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 funds.	94,249,265
Less: Internal Service Capital Assets	(1,730,320)
Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	3,955,606
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	954,311
Deferred Items - Police Pension	4,860,963
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Liability - IMRF	(1,990,965)
Net Pension Liability - Police Pension	(17,676,390)
Total OPEB Liability - RBP	(1,206,880)
General Obligation Bonds Payable	(3,475,000)
Unamortized Bond Premium	(102,633)
Unamortized Refunding Loss	124,778
Accrued Interest Payable	(43,438)
<b>Net Position of Governmental Activities</b>	<b>105,934,686</b>

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended May 31, 2023

	General	Special Revenue		Capital Projects	Nonmajor	Totals
		31	Route			
		TIF				
Revenues						
Taxes						
Intergovernmental	2,959,610	333,363		2,207,730	552,088	6,052,791
Licenses and Permits	11,077,549	—		67,298	984,400	12,129,247
Charges for Services	1,024,535	—		—	236,766	1,261,301
Fines and Forfeitures	353,201	—		—	117,899	471,100
Investment Income	268,306	—		—	—	268,306
Miscellaneous	261,497	57,372		403,347	114,817	837,033
	10,600	—		669,406	100,852	780,858
Total Revenues	15,955,298	390,735		3,347,781	2,106,822	21,800,636
Expenditures						
General Government	2,499,947	111,348		—	221,304	2,832,599
Public Safety	6,892,065	—		—	235,868	7,127,933
Public Works	2,537,845	—		—	695,698	3,233,543
Sanitation	—	—		—	291,179	291,179
Capital Outlay	—	—		3,601,789	782,895	4,384,684
Debt Service	—	—		—	—	—
Principal Retirement	—	—		—	515,000	515,000
Interest and Fiscal Charges	—	—		—	120,175	120,175
Total Expenditures	11,929,857	111,348		3,601,789	2,862,119	18,505,113
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,025,441	279,387		(254,008)	(755,297)	3,295,523
Other Financing Sources (Uses)						
Disposal of Capital Assets	—	—		—	92,524	92,524
Insurance Claim Reimbursement	18,427	—		—	—	18,427
Transfers In	—	—		3,000,000	1,656,596	4,656,596
Transfers Out	(3,636,596)	(1,020,000)		—	—	(4,656,596)
	(3,618,169)	(1,020,000)		3,000,000	1,749,120	110,951
Net Change in Fund Balances	407,272	(740,613)		2,745,992	993,823	3,406,474
Fund Balances - Beginning	8,536,658	2,107,171		10,417,001	3,548,085	24,608,915
Fund Balances - Ending	8,943,930	1,366,558		13,162,993	4,541,908	28,015,389

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

## VILLAGE OF NORTH AURORA, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended May 31, 2023

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Net Change in Fund Balances - Total Governmental Funds	\$	3,406,474
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Capital Outlays	4,035,757
Depreciation Expense	(3,400,171)
Disposals - Cost	(1,623,969)
Disposals - Accumulated Depreciation	1,623,969

Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds.

The net revenue of certain activities of internal service funds is reported with governmental activities.	349,741
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The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	1,624,948
Change in Deferred Items - Police Pension	1,554,655

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

Change in Net Pension Liability/(Asset) - IMRF	(2,026,238)
Change in Net Pension Liability - Police Pension	(2,846,941)
Change in Total OPEB Liability - RBP	(139,605)
Retirement of Debt	515,000
Amortization of Bond Premium	17,105
Amortization of Refunding Loss	(20,796)

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

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6,437

**Changes in Net Position of Governmental Activities**

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3,076,366

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



**VILLAGE OF NORTH AURORA, ILLINOIS**

**Statement of Net Position - Proprietary Funds**

**May 31, 2023**

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**See Following Page**

# VILLAGE OF NORTH AURORA, ILLINOIS

## Statement of Net Position - Proprietary Funds May 31, 2023

	Business-Type Activities Waterworks	Governmental Activities Internal Service
<b>ASSETS</b>		
Current Assets		
Cash and Investments	\$ 10,840,632	2,777,563
Receivables - Net of Allowances		
Accounts	375,914	—
Accrued Interest	5,478	2,689
Leases	32,669	—
Due from Other Governments	295,798	12,068
Inventories	—	27,713
Prepays	—	36,065
Total Current Assets	11,550,491	2,856,098
Noncurrent Assets		
Capital Assets		
Nondepreciable	1,945,291	15,800
Depreciable	41,703,575	4,196,990
Accumulated Depreciation	(18,297,782)	(2,482,470)
Total Noncurrent Assets	25,351,084	1,730,320
Total Assets	36,901,575	4,586,418
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Items - IMRF	208,079	—
Deferred Items - ARO	687,500	—
Total Deferred Outflows of Resources	895,579	—
Total Assets and Deferred Outflows of Resources	37,797,154	4,586,418

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

	Business-Type Activities Waterworks	Governmental Activities Internal Service
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	\$ 727,205	6,413
Accrued Payroll	29,990	—
Accrued Interest Payable	52,256	—
Other Payables	150,172	—
Current Portion of Long-Term Debt	389,376	156,100
Total Current Liabilities	1,348,999	162,513
Long-Term Liabilities		
Compensated Absences Payable	19,957	391,899
Net Pension Liability - IMRF	400,573	—
Total OPEB Liability - RBP	92,342	—
General Obligation Bonds Payable - Net	3,491,795	—
Installment Contracts Payable	—	76,400
Asset Retirement Obligation	740,000	—
Total Long-Term Liabilities	4,744,667	468,299
Total Liabilities	6,093,666	630,812
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Items - IMRF	16,076	—
Deferred Items - Grants	1,019,947	—
Deferred Items - Leases	31,859	—
Total Deferred Inflows of Resources	1,067,882	—
Total Liabilities and Deferred Inflows of Resources	7,161,548	630,812
<b>NET POSITION</b>		
Net Investment in Capital Assets	21,476,565	1,730,320
Unrestricted	9,159,041	2,225,286
Total Net Position	30,635,606	3,955,606

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended May 31, 2023

	Business-Type Activities Waterworks	Governmental Activities Internal Service
Operating Revenues		
Charges for Services	\$ 3,393,830	—
Interfund Services	—	427,380
Total Operating Revenues	3,393,830	427,380
Operating Expenses		
Operations and Capital	2,245,290	277,657
Depreciation and Amortization	1,032,659	268,098
Total Operating Expenses	3,277,949	545,755
Operating Income (Loss)	115,881	(118,375)
Nonoperating Revenues (Expenses)		
Investment Income	189,640	18,711
Grants	—	12,068
Other Income	225,997	427,337
Interest Expense	(117,148)	—
	298,489	458,116
Income Before Grants	414,370	339,741
Capital Grants	1,733,131	—
Capital Contributions	—	10,000
	1,733,131	10,000
Change in Net Position	2,147,501	349,741
Net Position - Beginning	28,488,105	3,605,865
Net Position - Ending	30,635,606	3,955,606

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended May 31, 2023

	Business-Type Activities Waterworks	Governmental Activities Internal Service
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 4,916,106	—
Interfund Services Provided	—	401,075
Payments to Employees	(682,489)	—
Payments to Suppliers	408,272	(308,993)
	<u>4,641,889</u>	<u>92,082</u>
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	(1,467,192)	(449,939)
Debt Issuance	—	127,334
Payment of Principal	(372,724)	(25,467)
Interest Expense	(117,148)	427,337
	<u>(1,957,064)</u>	<u>79,265</u>
Cash Flows from Investing Activities		
Investment Income	<u>189,640</u>	<u>18,711</u>
Net Change in Cash and Cash Equivalents	2,874,465	190,058
Cash and Cash Equivalents - Beginning	<u>7,966,167</u>	<u>2,587,505</u>
Cash and Cash Equivalents - Ending	<u><u>10,840,632</u></u>	<u><u>2,777,563</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	115,881	(118,375)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)		
Operating Activities		
Depreciation and Amortization	1,032,659	268,098
Other Income	1,959,128	12,068
(Increase) Decrease in Current Assets	(436,852)	(38,373)
Increase (Decrease) in Current Liabilities	<u>1,971,073</u>	<u>(31,336)</u>
Net Cash Provided by Operating Activities	<u><u>4,641,889</u></u>	<u><u>92,082</u></u>
Noncash Capital and Related Financing Activities		
Capital Contributions	<u>—</u>	<u>10,000</u>

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

**VILLAGE OF NORTH AURORA, ILLINOIS**

**Statement of Fiduciary Net Position**

**May 31, 2023**

	Pension Trust Police Pension
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 499,018
Investments	
Illinois Police Officers' Pension Investment Fund	24,099,286
Receivables	
Accrued Interest	696
Total Assets	24,599,000
<b>LIABILITIES</b>	
Accounts Payable	75
<b>NET POSITION</b>	
Net Position Restricted for Pensions	24,598,925

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

## VILLAGE OF NORTH AURORA, ILLINOIS

### Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended May 31, 2023

	Pension Trust Police Pension
Additions	
Contributions - Employer	\$ 1,443,240
Contributions - Plan Members	312,634
Contributions - Buyback	824,515
Total Contributions	<u>2,580,389</u>
Investment Earnings	
Interest Earned	258,452
Net Change in Fair Value	<u>150,997</u>
	409,449
Less Investment Expenses	<u>(40,192)</u>
Net Investment Income	<u>369,257</u>
Total Additions	<u>2,949,646</u>
Deductions	
Administration	34,194
Benefits and Refunds	<u>1,334,400</u>
Total Deductions	<u>1,368,594</u>
Change in Fiduciary Net Position	1,581,052
Net Position Restricted for Pensions	
Beginning	<u>23,017,873</u>
Ending	<u>24,598,925</u>

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

# **VILLAGE OF NORTH AURORA, ILLINOIS**

## **Notes to the Financial Statements**

**May 31, 2023**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of North Aurora, Illinois (Village) was incorporated in 1905. The Village operates under a Trustee - Administrator form of government. The Village Board of Trustees is composed of the Village Mayor and six trustees. The Village provides services to the community that includes: police, water, community development, planning and zoning, street maintenance, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

#### **REPORTING ENTITY**

The Village's financial reporting entity comprises the following:

Primary Government: Village of North Aurora

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **Police Pension Employees Retirement System**

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

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's public safety, public works, sanitation, and general administrative services are classified as governmental activities. The Village's waterworks services are classified as business-type activities.

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



# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### BASIS OF PRESENTATION - Continued

##### Government-Wide Statements - Continued

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is recorded as a reimbursement and reduction of general government expenditures to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

##### Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements - Continued

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

##### Governmental Funds

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

*General Fund* is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains seven special revenue funds. The Route 31 TIF Fund, presented as a major fund, is used to account for the operations of the Village's Tax Increment Financing District #1 funded by restricted incremental revenues.

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one nonmajor debt service fund.

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Projects Fund is a major fund.

##### Proprietary Funds

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

*Enterprise Funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Waterworks Fund, a major fund, is used to account for all the operating and non-operating revenue and expenses related to the provision of water service to the residents of the Village.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements - Continued

##### Proprietary Funds - Continued

*Internal Service Funds* are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains two internal service funds. The Vehicle and Equipment Fund is used to account for the accumulation of department service charges to replace or purchase new Village vehicles and equipment and the related expenses. The Employee Compensated Absences Fund is used to account for the portion of compensated absences related to governmental funds owed to employees. The Village's internal service funds are presented in the proprietary funds' financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

##### Fiduciary Funds

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

*Pension Trust Funds* are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the government through an annual property tax levy.

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

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

##### Measurement Focus

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

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

Notes to the Financial Statements

May 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued**

**Measurement Focus - Continued**

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

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

**Basis of Accounting**

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

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

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

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

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

##### Cash and Investments

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs.

##### Receivables

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

##### Prepays/Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Capital Assets

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

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

Buildings	25 - 50 Years
Vehicles and Equipment	3 - 10 Years
Infrastructure	20 - 40 Years
Water System	10 - 40 Years

##### Long-Term Obligations

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

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Net Position

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

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Annual budgets were adopted for all governmental and proprietary funds (except for the Employee Compensated Absences Fund). Budgets are adopted on a basis consistent with generally accepted accounting principles except that the proprietary funds are budgeted using a current financial resources measurement focus. All annual budgets lapse at fiscal year end.

All departments of the Village submit requests for appropriations to the Village Administrator and Finance Director so that a budget may be prepared. The budget is prepared by fund, department, division and object level and includes information on the past year, current year estimates and requested budgets for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change the budgets, but may not change the form of the budget. The budget may be amended by the governing body pursuant to the Illinois Budget Act.

The Board of Trustees approves all budget amendments which increase or decrease the total budget of a fund or which increase or decrease the total budget of a department in the General Fund. The Finance Director, who serves as Budget Officer, may transfer budget within a department in the General Fund or within other funds as long as the total budget is not changed.

During the year, four budget amendments were adopted and are reflected in the financial statements.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS

##### DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments - Statutes and the Village's investment policy authorize the Village to make deposits/investments 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 or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Trust, Illinois Funds Investment Pool and the Illinois Metropolitan Investment Fund.

The Illinois Trust was established for the purpose of allowing various public agencies including, but not limited to, counties, townships, cities, towns, villages, school districts, housing authorities and public water supply districts, to jointly invest funds in accordance with the Laws of the State of Illinois. Participation in the Illinois Trust is voluntary. The Illinois Trust is not registered with the SEC as an Investment Company. Investments in the Illinois Trust are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

##### Village

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$8,619,816 and the bank balances totaled \$8,676,132.

*Investments.* At year-end, the Village has the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	\$ 5,100,639	984,701	4,115,938	—	—
Municipal Bonds	1,050,310	242,490	807,820	—	—
Illinois Trust	4,288,303	4,288,303	—	—	—
Illinois Funds	19,954,391	19,954,391	—	—	—
IMET	3,979,590	3,979,590	—	—	—
Totals	34,373,233	29,449,475	4,923,758	—	—



# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### DEPOSITS AND INVESTMENTS - Continued

##### Village - Continued

*Investments - Continued.* The Village has the following recurring fair value measurements as of May 31, 2023:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level	Total			
Debt Securities				
U.S. Treasury Securities	\$ 5,100,639	5,100,639	—	—
Municipal Bonds	1,050,310	—	1,050,310	—
Total Investments by Fair Value Level	6,150,949	5,100,639	1,050,310	—
Investments Measured at the Net Asset Value (NAV)				
Illinois Trust	4,288,303			
Illinois Funds	19,954,391			
IMET	3,979,590			
Total Investments at the (NAV)	28,222,284			
Total Investments Measured at Fair Value	29,272,594			

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a three-year period. The investment policy limits the maximum maturity length of investments for unreserved funds to five years from date of purchase. Investments of reserved funds longer than five years may be purchased with maturities to match future projects or liability requirements funded by the reserves, if separately approved by the Village Administrator.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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

##### DEPOSITS AND INVESTMENTS - Continued

###### Village - Continued

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village 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 that are explicitly or implicitly guaranteed by the United States Government. Investments in commercial paper are allowed if rated within the highest classifications by at least two standard rating services. Investments in municipal bonds are allowed pursuant to the requirements in the Public Funds Investment Act. Bonds must be rated at the time of purchase within the four highest general classifications established by a rating service nationally recognized in rating bonds of States and political subdivisions. At May 31, 2023, the municipal bonds are rated Aaa/bf by Moody's. The Illinois Funds are rated AAA by Fitch, the investment in the IMET 1-3 Year Fund is rated AAAM, and the investment in the Illinois Trust is rated AAAM by Standard and Poor's.

*Custodial Credit Risk - Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 105% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

*Custodial Credit Risk - Investments.* In the case of investments, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Village'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 Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name. At year-end, the Village's investments in the Illinois Funds, IMET and the Illinois Trust are not subject to custodial credit risk.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy limits investments the amount of the portfolio that can be invested in any one investment vehicle as follows: no more than 50% of the portfolio can be with one financial institution, no more than 50% in United States Government agencies (and no more than 25% in one agency), no more than 50% in Illinois Funds, no more than 30% in IMET (1 to 3 year portion) and 50% in IMET (convenience fund portion), no more than 50% in the Illinois Trust, no more than 40% in brokered certificates of deposit, no more than 25% in bonds of counties, states and villages and no more than 10% in commercial paper. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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

##### DEPOSITS AND INVESTMENTS - Continued

###### Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report, which can be obtained from IFPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at [www.ipopif.org](http://www.ipopif.org). The Fund transferred all eligible assets to the Investment Fund on October 1, 2022.

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$499,018 and the bank balances totaled \$514,872.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. With respect to deposits, the Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

*Investments.* At year-end the Fund has \$24,099,286 invested in IPOPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at [www.ipopif.org](http://www.ipopif.org).

*Investment Policy.* IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

###### Rate of Return

For the year ended May 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.20%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### PROPERTY TAXES

Property taxes are levied each calendar year on all taxable real property located in the Village. For governmental funds, property taxes which are collected within 60 days subsequent to year end of the year intended to finance are recorded as revenue.

The County Assessor is responsible for assessment of all taxable real property within Kane County (the County) except for certain railroad property which is assessed directly by the state. Some portion of the County is reassessed each year on a repeating schedule established by the County Assessor. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective share of the collections. Taxes levied in one year become due and payable in two installments on June 1 and September 1 during the following year. The levy becomes an enforceable lien against the property as of January 1 of the levy year. The 2022 levy was adopted on December 5, 2022 and is recorded as a receivable and offset by deferred/unavailable revenue since it is intended to finance the subsequent fiscal year. No allowance for uncollectible taxes has been established since historically the Village has collected approximately 100% of the levy.

The 2023 tax levy, which attached as an enforceable lien on property as of January 1, 2023, has not been recorded as a receivable as of May 31, 2023 as the tax has not yet been levied by the Village and will not be levied until December 2023 and, therefore, the levy is not measurable at May 31, 2023.

#### LEASES RECEIVABLE

The Village is a lessor on the following leases at year end:

Lease	Term	Start Date	Payments	Interest
Sprint Tower	484 Months	February 23, 1998	\$2,811 per Month	2.00%
T-Mobile Tower	237 Months	June 8, 2004	\$2,420 per Month	3.00%

During the fiscal year, the Village has recognized \$100,264 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Business-Type Activities		
	Principal	Interest	Total Lease Payment
2024	\$ 32,669	381	33,050

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### INTERFUND TRANSFERS

Interfund transfers for the fiscal year consisted of the following:

Transfer In	Transfer Out	Amount
Nonmajor Governmental	Route 31 TIF	\$ 1,020,000 (1)
Nonmajor Governmental	General	636,596 (2)
Capital Projects	General	<u>3,000,000 (3)</u>
		<u>4,656,596</u>

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

#### CAPITAL ASSETS

##### Governmental Activities

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 121,766
Public Safety	550,838
Public Works	2,581,996
Sanitation	<u>413,669</u>
	<u>3,668,269</u>

**VILLAGE OF NORTH AURORA, ILLINOIS****Notes to the Financial Statements****May 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****CAPITAL ASSETS - Continued****Governmental Activities - Continued**

Governmental capital asset activity for the fiscal year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 5,551,760	764,846	—	6,316,606
Land Right of Way	22,699,090	—	—	22,699,090
Construction in Progress	1,321,488	3,093,676	3,014,859	1,400,305
	29,572,338	3,858,522	3,014,859	30,416,001
Depreciable Capital Assets				
Buildings	12,836,437	—	—	12,836,437
Vehicles and Equipment	4,682,887	492,333	—	5,175,220
Infrastructure	69,268,505	3,026,232	1,623,969	70,670,768
Infrastructure - Sewer Lines	28,569,358	133,468	—	28,702,826
	115,357,187	3,652,033	1,623,969	117,385,251
Less Accumulated Depreciation				
Buildings	4,103,363	327,193	—	4,430,556
Vehicles and Equipment	2,968,655	286,392	—	3,255,047
Infrastructure	32,498,163	2,401,061	1,623,969	33,275,255
Infrastructure - Sewer Lines	11,937,506	653,623	—	12,591,129
	51,507,687	3,668,269	1,623,969	53,551,987
Total Net Depreciable Capital Assets	63,849,500	(16,236)	—	63,833,264
Total Net Capital Assets	93,421,838	3,842,286	3,014,859	94,249,265

**VILLAGE OF NORTH AURORA, ILLINOIS****Notes to the Financial Statements****May 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****CAPITAL ASSETS - Continued****Business-Type Activities**

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 476,703	—	—	476,703
Construction in Progress	57,879	1,410,709	—	1,468,588
	<u>534,582</u>	<u>1,410,709</u>	<u>—</u>	<u>1,945,291</u>
Depreciable Capital Assets				
Equipment	38,100	22,285	—	60,385
Vehicles	19,100	—	—	19,100
Water System - Treatment and Facilities	6,745,464	34,198	—	6,779,662
Water System - Towers and Wells	8,386,315	—	—	8,386,315
Water System - Lines	26,458,113	—	—	26,458,113
	<u>41,647,092</u>	<u>56,483</u>	<u>—</u>	<u>41,703,575</u>
Less Accumulated Depreciation				
Equipment	38,100	—	—	38,100
Vehicles	19,100	—	—	19,100
Water System - Treatment and Facilities	2,154,052	190,454	—	2,344,506
Water System - Towers and Wells	2,952,790	215,555	—	3,168,345
Water System - Lines	12,118,581	609,150	—	12,727,731
	<u>17,282,623</u>	<u>1,015,159</u>	<u>—</u>	<u>18,297,782</u>
Total Net Depreciable Capital Assets	<u>24,364,469</u>	<u>(958,676)</u>	<u>—</u>	<u>23,405,793</u>
Total Net Capital Assets	<u>24,899,051</u>	<u>452,033</u>	<u>—</u>	<u>25,351,084</u>

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

Waterworks	<u>\$ 1,015,159</u>
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# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### LONG-TERM DEBT

##### General Obligation (Alternate Revenue Source) Bonds

The Village has issued general obligation bonds for the purpose of acquiring property. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Source Refunding Bonds of 2014 due in annual installments of \$55,000 to \$625,000, plus interest at 2.00% to 3.00% through January 1, 2029.	Police Station	\$ 3,990,000	—	515,000	3,475,000
General Obligation Alternate Revenue Source Bonds of 2017 due in annual installments of \$320,000 to \$475,000, plus interest at 3.00% to 4.00% through January 1, 2032.	Waterworks	4,120,000	—	360,000	3,760,000
		8,110,000	—	875,000	7,235,000

##### Installment Contracts Payable

The Village also issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Contract Payable of 2022 - Body Cameras - due in annual installments of \$14,527, non-interest bearing through May 1, 2026.	Vehicle and Equipment	\$ —	72,635	14,527	58,108
Installment Contract Payable of 2022 - Squad Cameras - due in annual installments of \$10,939 to \$10,940, non-interest bearing through May 1, 2026.	Vehicle and Equipment	—	54,699	10,940	43,759
		—	127,334	25,467	101,867



# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### LONG-TERM DEBT - Continued

##### Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences					
Internal Service	\$ 506,126	32,812	16,406	522,532	130,633
Net Pension Liability/(Asset) - IMRF	(35,273)	2,026,238	—	1,990,965	—
Net Pension Liability - Police Pension	14,829,449	2,846,941	—	17,676,390	—
Total OPEB Liability - RBP	1,067,275	139,605	—	1,206,880	—
General Obligation Bonds Payable	3,990,000	—	515,000	3,475,000	535,000
Plus: Premium on Bonds Payable	119,738	—	17,105	102,633	17,105
Installment Contracts					
Internal Service	—	127,334	25,467	101,867	25,467
	<u>20,477,315</u>	<u>5,172,930</u>	<u>573,978</u>	<u>25,076,267</u>	<u>708,205</u>
<b>Business-Type Activities</b>					
Compensated Absences	33,819	7,210	14,420	26,609	6,652
Net Pension Liability/(Asset) - IMRF	(7,145)	407,718	—	400,573	—
Total OPEB Liability - RBP	81,119	11,223	—	92,342	—
General Obligation Bonds Payable	4,120,000	—	360,000	3,760,000	370,000
Plus: Premium on Bonds Payable	127,243	—	12,724	114,519	12,724
Asset Retirement Obligation	740,000	—	—	740,000	—
	<u>5,095,036</u>	<u>426,151</u>	<u>387,144</u>	<u>5,134,043</u>	<u>389,376</u>

For the governmental activities, compensated absences and installment contracts are liquidated by internal service funds, the net pension liability/(asset), and the total OPEB liability are liquidated by the General Fund. The Library Fund and Police Station Fund make payments on the general obligation bonds.

For business-type activities, the Waterworks Fund makes payments on the compensated absences, on the net pension liability/(asset), on the total OPEB liability, on the asset retirement obligation, and on the general obligation bonds.

**VILLAGE OF NORTH AURORA, ILLINOIS****Notes to the Financial Statements****May 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT - Continued****Debt Service Requirements to Maturity**

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

Fiscal Year	Governmental Activities				Business-Type Activities	
	General Obligation		Installment		General Obligation	
	Bonds Payable		Contracts Payable		Bonds Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 535,000	104,250	25,467	—	370,000	125,275
2025	550,000	88,200	25,467	—	380,000	114,175
2026	570,000	71,700	25,467	—	390,000	102,775
2027	585,000	54,600	25,466	—	405,000	91,075
2028	610,000	37,050	—	—	415,000	78,925
2029	625,000	18,750	—	—	430,000	65,438
2030	—	—	—	—	440,000	51,464
2031	—	—	—	—	455,000	36,062
2032	—	—	—	—	475,000	18,999
Totals	3,475,000	374,550	101,867	—	3,760,000	684,188

**Legal Debt Margin**

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

Assessed Valuation - 2022	<u>\$ 653,997,524</u>
Legal Debt Limit - 8.625% of Assessed Value	56,407,286
Amount of Debt Applicable to Limit General Obligation Bonds	<u>—</u>
Legal Debt Margin	<u>56,407,286</u>

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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

##### LONG-TERM DEBT - Continued

###### Asset Retirement Obligation

The Village 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 and for the retirement of certain components of the Village's treatment plant at the end of their estimated useful lives in accordance with federal, state, and/or local 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 and components of the treatment plant ranges between 38 and 48 years.

###### PLEDGED REVENUES

The General Obligation Refunding Alternate Revenue Source Bonds of 2014, issued for the construction of the police department, are payable from a pledge of sales tax and use tax, with a remaining total pledge of \$3,849,550 and the bonds maturing January 1, 2029. During the current fiscal year, the pledge of sales tax and use tax of \$634,700 was approximately 8.15% of total sales and use tax of \$7,791,472.

The Village has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The General Obligation Alternate Revenue Source Bonds of 2017, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue. The 2017 bonds have a remaining total pledge of \$4,444,188, with the bonds maturing January 1, 2032. During the current fiscal year, the pledge of \$496,076 was approximately 13.84% of net operations (excluding depreciation) of \$3,583,470.

###### COMMITMENTS

The Village has entered into contracts for the construction or renovation of various facilities as follows:

Purpose	Expended to Date	Remaining Commitment
2023 Road Improvement Program	\$ 1,270,865	816,567
Cherry Tree Sanitary Sewer Extension	133,468	5,120
Chestnut, Locust, Spruce Watermain and Road Improvements	811,408	1,797,498
Well #5 Modifications	486,627	128,473

###### SALES TAX REBATES

During fiscal year 2019, the Village entered into an agreement with a shopping center to rebate 100% of the sales taxes generated by an in-line center for a fifteen-year period up to a maximum of \$120,000 per year. As of May 31, 2023, \$266,351 has been paid or accrued as accounts payable, of which \$99,119 has been paid in the current year.

During fiscal year 2021, the Village entered into a sales tax agreement with an auto dealership to rebate 85% of the sales taxes over the base amount of \$219,500 generated on an annual basis. As of May 31, 2023, \$305,739 has been paid or accrued as accounts payable, of which \$160,030 has been paid in the current year.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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

##### TAX ABATEMENTS

As authorized under provisions of the Tax Increment Allocation Redevelopment Act, the Village has created three tax increment financing districts (TIFs) to encourage redevelopment within the TIFs. A component of the redevelopment plans, approved by the Village through ordinances, allows for the reimbursement to property owners of qualifying redevelopment costs from a percentage of future incremental property revenues generated by the TIFs, if any. There are no recapture provisions included in the redevelopment agreements.

During fiscal year 2008, the Village entered into a redevelopment agreement that provides for reimbursement of up to \$610,000 in eligible redevelopment costs over the life of the TIF. The reimbursement is limited to 90% of the incremental property taxes generated by the development. \$1,461 has been paid or accrued as accounts payable as of May 31, 2023. As of the date of this report, this property has been sold and agreement has been ended early.

During fiscal year 2020, the Village entered into a redevelopment agreement that provides for \$200,000 in financial assistance to a local business in five annual installments of \$40,000. As of May 31, 2023, \$160,000 has been paid or accrued as accounts payable.

During fiscal year 2023, the Village entered into a redevelopment agreement that provides for up to \$3,931,420 in eligible redevelopment costs over the life of the TIF. The reimbursement is limited to 75% of the incremental property taxes generated by the development. As of May 31, 2023, no amount has been paid or accrued on this agreement.

##### FUND BALANCE CLASSIFICATIONS

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Responsibility for the assignment of fund balance is delegated to the Finance Director with the approval of the Village Administrator and communicated through the annual budget or via memorandum to the Board of Trustees. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance Policy.* The Village's policy manual states that the General Fund should maintain a minimum fund balance equal to 40% to 50% of annual expenditures and transfers of resources out of the General Fund for the purpose of debt repayment.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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

#### FUND BALANCE CLASSIFICATIONS - Continued

The Village's policy manual states that the Motor Fuel Tax Fund of 25% of annual expenditures in order to provide sufficient cash flow and an adequate reserve.

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Route 31 TIF	Capital Projects	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 239,269	—	—	9,480	248,749
Restricted					
DUI Enforcement	61,576	—	—	—	61,576
Highways and Streets	—	—	—	1,626,909	1,626,909
Economic Development	—	1,366,558	—	235,757	1,602,315
Subdivision Improvements	—	—	—	144,124	144,124
Debt Service	—	—	—	292,742	292,742
	61,576	1,366,558	—	2,299,532	3,727,666
Assigned					
Roads, Infrastructure, and Capital Projects	—	—	13,162,993	—	13,162,993
Buffer Repair/Replacement	—	—	—	32,900	32,900
Tort	—	—	—	448,019	448,019
Sanitary Sewers	—	—	—	1,686,615	1,686,615
Tourism	—	—	—	65,362	65,362
	—	—	13,162,993	2,232,896	15,395,889
Unassigned	8,643,085	—	—	—	8,643,085
Total Fund Balances	8,943,930	1,366,558	13,162,993	4,541,908	28,015,389

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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

##### NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of May 31, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 94,249,265
Plus: Unamortized Loss on Refunding	124,778
Less Capital Related Debt:	
General Obligation Alternate Revenue Source Refunding Bonds of 2014	(3,475,000)
Premium on Bonds Payable	<u>(102,633)</u>
Net Investment in Capital Assets	<u>90,796,410</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	25,351,084
Less Capital Related Debt:	
General Obligation Alternate Revenue Source Bonds of 2017	(3,760,000)
Premium on Bonds Payable	<u>(114,519)</u>
Net Investment in Capital Assets	<u>21,476,565</u>

#### NOTE 4 - OTHER INFORMATION

##### RISK MANAGEMENT

###### Intergovernmental Personnel Benefit Cooperative (IPBC)

As of January 1, 2018, the Village joined Intergovernmental Personnel Benefit Cooperative (IPBC). Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the IPBC. IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### RISK MANAGEMENT - Continued

##### Illinois Municipal League Risk Management Association

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. To insure against the losses, the Village participates in the Illinois Municipal League Risk Management Association (IMLRMA), a public entity risk pool with transfers of risk. The Village pays an annual premium to IMLRMA for its coverage. The Village is not aware of any additional premiums owed to IMLRMA as of May 31, 2023, for the current or prior claim years.

#### CONTINGENT LIABILITIES

##### Litigation

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

##### Grants

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

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, and the Police Pension Plans which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the Village at 25 East State Street, North Aurora, Illinois 60542. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows	Deferred Inflows
IMRF	\$ 781,645	2,391,538	1,242,294	95,980
Police Pension	2,735,526	17,676,390	4,964,633	103,670
	3,517,171	20,067,928	6,206,927	199,650

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Illinois Municipal Retirement Fund (IMRF)

###### Plan Descriptions

*Plan Administration.* All employees (other than those covered by the Police and 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.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date.).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

*Plan Membership.* As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	50
Inactive Plan Members Entitled to but not yet Receiving Benefits	46
Active Plan Members	<u>59</u>
Total	<u><u>155</u></u>



# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Contributions.* As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year-ended May 31, 2023, the Village's contribution was 7.68% of covered payroll.

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liabilities were determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

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

#### Illinois Municipal Retirement Fund (IMRF) - Continued

#### Plan Descriptions - Continued

*Actuarial Assumptions - Continued.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

#### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

#### 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 net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 5,301,686	2,391,538	1,377,836

**VILLAGE OF NORTH AURORA, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

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

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 10,943,112	10,985,530	(42,418)
Changes for the Year:			
Service Cost	252,933	—	252,933
Interest on the Total Pension Liability	792,874	—	792,874
Difference Between Expected and Actual Experience of the Total Pension Liability	99,066	—	99,066
Changes of Assumptions	—	—	—
Contributions - Employer	—	311,950	(311,950)
Contributions - Employees	—	130,583	(130,583)
Net Investment Income	—	(1,398,140)	1,398,140
Benefit Payments, Including Refunds of Employee Contributions	(510,619)	(510,619)	—
Other (Net Transfer)	—	(333,476)	333,476
Net Changes	634,254	(1,799,702)	2,433,956
Balances at December 31, 2022	11,577,366	9,185,828	2,391,538

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

### NOTE 4 - OTHER INFORMATION - Continued

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

##### Illinois Municipal Retirement Fund (IMRF) - Continued

#### Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the fiscal year ended May 31, 2023, the Village recognized pension expense of \$781,645. At May 31, 2023, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 323,759	(37,633)	286,126
Change in Assumptions	—	(58,347)	(58,347)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	809,050	—	809,050
Total Pension Expense to be Recognized in Future Periods	1,132,809	(95,980)	1,036,829
Pension Contributions Made			
Subsequent to the Measurement Date	109,485	—	109,485
Total Deferred Amounts Related to IMRF	1,242,294	(95,980)	1,146,314

\$109,485 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability/(asset) in the reporting year ended May 31, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 87,972
2025	232,886
2026	271,906
2027	444,065
2028	—
Thereafter	—
Totals	1,036,829

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan

##### Plan Descriptions

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At May 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	21
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>32</u>
Total	<u><u>54</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes was capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> 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 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the preceding calendar year.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

##### Plan Descriptions - Continued

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village 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 fiscal year-ended May 31, 2023, the Village's contribution was 45.75% of covered payroll.

*Concentrations.* At year-end, the Pension Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

##### Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of May 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.50%
Salary Increases	Salary Based
Cost of Living Adjustments	1.25% - 3.00%
Inflation	2.50%

Mortality rates were based on the PubS-2010 mortality tables, projected 5 years past the valuation date with scale MP-2021.

##### Discount Rate

The discount rate used to measure the total pension liability was 6.50%, while the prior valuation was also 6.50%. 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 Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund'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 applied to all period of projected benefit payments to determine the total pension liability.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

##### 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 net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	\$ 24,574,981	17,676,390	12,140,287

##### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at May 31, 2022	\$ 37,847,322	23,017,873	14,829,449
Changes for the Year:			
Service Cost	811,694	—	811,694
Interest on the Total Pension Liability	2,469,468	—	2,469,468
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	1,656,716	—	1,656,716
Changes of Assumptions	—	—	—
Contributions - Employer	—	1,443,240	(1,443,240)
Contributions - Employees	—	312,634	(312,634)
Contributions - Buyback	824,515	824,515	—
Net Investment Income	—	369,257	(369,257)
Benefit Payments, Including Refunds of Employee Contributions	(1,334,400)	(1,334,400)	—
Other (Net Transfer)	—	(34,194)	34,194
Net Changes	4,427,993	1,581,052	2,846,941
Balances at May 31, 2023	42,275,315	24,598,925	17,676,390

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

##### Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the fiscal year ended May 31, 2023, the Village recognized pension expense of \$2,735,526. At May 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 2,302,842	(103,670)	2,199,172
Change in Assumptions	759,130	—	759,130
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,902,661	—	1,902,661
Total Deferred Amounts Related to Police Pension	4,964,633	(103,670)	4,860,963

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 1,176,538
2025	1,167,203
2026	1,308,651
2027	592,906
2028	378,991
Thereafter	236,674
Total	4,860,963



# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### General Information about the OPEB Plan

*Plan Description.* The Village's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* A retired employee and his or her spouse are eligible to continue health insurance identical to active employees if they meet the eligibility for retirements under the applicable Plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents. Medicare becomes primary at age 65.

*Plan Membership.* As of that date, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>64</u>
Total	<u><u>71</u></u>

##### Total OPEB Liability

The Village's total OPEB liability was measured as of May 31, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the that date actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.24%
Healthcare Cost Trend Rates	7.50% decreasing to an ultimate rate of 4.00% for 2075 and later years
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on the May 31, 2022 S&P Municipal Bond 20 Year High Grade Rate Index as publish by S&P Dow Jones Indices.

Mortality rates were based on the PubG-2010 tables projected to the valuation date using Projection Scale MP-2019.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Notes to the Financial Statements

May 31, 2023

### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Change in the Total OPEB Liability

	Total OPEB Liability
Balances at May 31, 2022	<u>\$ 1,148,394</u>
Changes for the Year:	
Service Cost	29,459
Interest on the Total OPEB Liability	42,916
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	218,964
Changes of Assumptions or Other Inputs	(104,217)
Benefit Payments	<u>(36,294)</u>
Net Changes	<u>150,828</u>
Balances at May 31, 2023	<u><u>1,299,222</u></u>

##### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 4.24%, while the prior valuation used 3.70%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.24%)	Current Discount Rate (4.24%)	1% Increase (5.24%)
Total OPEB Liability	\$ 1,464,909	1,299,222	1,158,808

## VILLAGE OF NORTH AURORA, ILLINOIS

### Notes to the Financial Statements

May 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

##### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

		Healthcare Cost Trend	
	1% Decrease (Varies)	Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 1,159,163	1,299,222	1,463,787

##### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended May 31, 2023, the Village recognized OPEB expense of \$187,122. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

##### SUBSEQUENT EVENT

On July 19, 2021, the Village approved a tax increment financing redevelopment agreement with a developer, authorizing the Village to reimburse the developer from 75% of available incremental taxes on an annual basis, up to a maximum reimbursement of \$3,931,420. In addition, the Village shall issue a Developer Note at 3.5% interest to assist with project expenditures. As of the opinion date, the Developer had not submitted the Certificate of Expenditures for the project, and thus, the principal amount of the Developer Note is not yet determinable. The Village has made no payments to the Developer as of the opinion date.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule Employer Contributions  
    Illinois Municipal Retirement Fund  
    Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
    Illinois Municipal Retirement Fund  
    Police Pension Fund
- Schedule of Investment Returns  
    Police Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
    Retiree Benefit Plan
- Budgetary Comparison Schedules  
    General Fund  
    Route 31 TIF - Special Revenue Fund

Notes to the Required Supplementary Information

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Illinois Municipal Retirement Fund Schedule of Employer Contributions May 31, 2023

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 216,905	\$ 216,905	\$ —	\$ 1,785,256	12.15%
2017	236,764	236,764	—	1,962,890	12.06%
2018	244,336	244,336	—	2,138,728	11.42%
2019	237,655	237,655	—	2,190,360	10.85%
2020	259,003	259,003	—	2,314,187	11.19%
2021	303,515	303,515	—	2,528,379	12.00%
2022	318,681	318,681	—	2,758,450	11.55%
2023	300,499	300,499	—	3,913,059	7.68%

### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Police Pension Fund

### Schedule of Employer Contributions

May 31, 2023

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 579,311	\$ 830,000	\$ 250,689	\$ 2,353,959	35.26%
2016	596,578	747,000	150,422	2,545,665	29.34%
2017	799,095	925,000	125,905	2,454,099	37.69%
2018	955,822	956,000	178	2,582,783	37.01%
2019	1,046,968	1,167,000	120,032	2,708,303	43.09%
2020	1,166,171	1,184,459	18,288	2,828,440	41.88%
2021	1,348,024	1,385,904	37,880	3,060,402	45.29%
2022	1,429,357	1,430,000	643	3,155,076	45.32%
2023	1,443,240	1,443,240	—	3,154,733	45.75%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	Fair Value
Inflation	2.50%
Salary Increases	Service Based
Investment Rate of Return	6.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	PubS-2010 employee mortality, projected 5 years past the valuation date with Scale MP-2019.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**VILLAGE OF NORTH AURORA, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**May 31, 2023**

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**See Following Page**

# VILLAGE OF NORTH AURORA, ILLINOIS

## Illinois Municipal Retirement Fund

### Schedule of Changes in the Employer's Net Pension Liability/(Asset)

May 31, 2023

	12/31/2015	12/31/2016
Total Pension Liability		
Service Cost	\$ 187,482	194,618
Interest	505,227	479,593
Differences Between Expected and Actual Experience	74,465	(189,556)
Change of Assumptions	—	(20,837)
Benefit Payments, Including Refunds of Member Contributions	(227,205)	(215,977)
Net Change in Total Pension Liability	539,969	247,841
Total Pension Liability - Beginning	6,774,229	7,314,198
Total Pension Liability - Ending	7,314,198	7,562,039
Plan Fiduciary Net Position		
Contributions - Employer	\$ 198,163	238,510
Contributions - Members	80,337	87,260
Net Investment Income	28,479	280,050
Benefit Payments, Including Refunds of Member Contributions	(227,205)	(215,977)
Other (Net Transfer)	62,146	(82,113)
Net Change in Plan Fiduciary Net Position	141,920	307,730
Plan Net Position - Beginning	5,744,261	5,886,181
Plan Net Position - Ending	5,886,181	6,193,911
Employer's Net Pension Liability/(Asset)	\$ 1,428,017	1,368,128
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.48%	81.91%
Covered Payroll	\$ 2,330,622	2,553,148
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	61.27%	53.59%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.



12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
208,534	195,612	225,253	242,167	237,212	252,933
564,129	565,456	673,032	746,162	747,162	792,874
366,808	188,140	(153,130)	707,805	(21,847)	99,066
(271,193)	288,341	—	(166,597)	—	—
(289,181)	(320,099)	(414,248)	(455,444)	(483,001)	(510,619)
579,097	917,450	330,907	1,074,093	479,526	634,254
7,562,039	8,141,136	9,058,586	9,389,493	10,463,586	10,943,112
8,141,136	9,058,586	9,389,493	10,463,586	10,943,112	11,577,366
240,535	234,350	243,705	303,479	318,652	311,950
92,277	95,783	103,071	114,376	118,507	130,583
1,017,569	(359,776)	1,271,255	1,153,812	1,621,914	(1,398,140)
(289,181)	(320,099)	(414,248)	(455,444)	(483,001)	(510,619)
(63,244)	147,521	(327,584)	481,261	(53,871)	(333,476)
997,956	(202,221)	876,199	1,597,484	1,522,201	(1,799,702)
6,193,911	7,191,867	6,989,646	7,865,845	9,463,329	10,985,530
7,191,867	6,989,646	7,865,845	9,463,329	10,985,530	9,185,828
949,269	2,068,940	1,523,648	1,000,257	(42,418)	2,391,538
88.34%	77.16%	83.77%	90.44%	100.39%	79.34%
2,050,598	2,128,523	2,290,462	2,541,692	2,518,470	2,901,857
46.29%	97.20%	66.52%	39.35%	(1.68%)	82.41%

# VILLAGE OF NORTH AURORA, ILLINOIS

## Police Pension Fund

### Schedule of Changes in the Employer's Net Pension Liability

May 31, 2023

	5/31/2015	5/31/2016	5/31/2017
Total Pension Liability			
Service Cost	\$ 513,686	593,355	649,659
Interest	1,280,827	1,575,395	1,706,540
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(112,998)	(562,619)	209,323
Change of Assumptions	2,538,709	889,503	(707,460)
Contributions - Buyback	—	—	—
Benefit Payments, Including Refunds of Member Contributions	(568,087)	(642,831)	(714,048)
Administrative Expense	—	—	—
Net Change in Total Pension Liability	3,652,137	1,852,803	1,144,014
Total Pension Liability - Beginning	18,581,570	22,233,707	24,086,510
Total Pension Liability - Ending	22,233,707	24,086,510	25,230,524
Plan Fiduciary Net Position			
Contributions - Employer	\$ 830,000	747,000	925,000
Contributions - Members	232,046	242,060	253,704
Contributions - Buyback	—	—	—
Net Investment Income	773,810	(7,923)	1,367,627
Benefit Payments, Including Refunds of Member Contributions	(568,087)	(642,831)	(714,048)
Administrative Expenses	(11,292)	(7,925)	(8,094)
Net Change in Plan Fiduciary Net Position	1,256,477	330,381	1,824,189
Plan Net Position - Beginning	12,497,842	13,754,319	14,084,700
Plan Net Position - Ending	13,754,319	14,084,700	15,908,889
Employer's Net Pension Liability	\$ 8,479,388	10,001,810	9,321,635
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.86%	58.48%	63.05%
Covered Payroll	\$ 2,353,959	2,545,665	2,454,099
Employer's Net Pension Liability as a Percentage of Covered Payroll	360.22%	392.90%	379.84%

Notes: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

5/31/2018	5/31/2019	5/31/2020	5/31/2021	5/31/2022	5/31/2023
619,311	667,091	724,282	735,774	780,249	811,694
1,780,157	1,846,640	2,028,438	2,160,123	2,295,333	2,469,468
—	—	81,708	—	—	—
(105,189)	394,877	372,800	(135,398)	854,284	1,656,716
1,488,739	999,483	—	—	141,935	—
—	—	—	—	—	824,515
(838,041)	(865,484)	(1,471,315)	(914,258)	(1,024,741)	(1,334,400)
—	—	—	—	—	—
2,944,977	3,042,607	1,735,913	1,846,241	3,047,060	4,427,993
25,230,524	28,175,501	31,218,108	32,954,021	34,800,262	37,847,322
28,175,501	31,218,108	32,954,021	34,800,262	37,847,322	42,275,315
956,000	1,167,000	1,184,459	1,385,904	1,430,000	1,443,240
252,169	265,961	277,516	290,382	312,668	312,634
—	—	—	—	—	824,515
993,321	529,592	1,145,435	3,858,145	(1,725,652)	369,257
(838,041)	(865,484)	(1,471,315)	(914,258)	(1,024,741)	(1,334,400)
(9,559)	(10,737)	(8,642)	(16,018)	(55,121)	(34,194)
1,353,890	1,086,332	1,127,453	4,604,155	(1,062,846)	1,581,052
15,908,889	17,262,779	18,349,111	19,476,564	24,080,719	23,017,873
17,262,779	18,349,111	19,476,564	24,080,719	23,017,873	24,598,925
10,912,722	12,868,997	13,477,457	10,719,543	14,829,449	17,676,390
61.27%	58.78%	59.10%	69.20%	60.82%	58.19%
2,582,783	2,708,303	2,828,440	3,060,402	3,155,076	3,154,733
422.52%	475.17%	476.50%	350.27%	470.02%	560.31%

**VILLAGE OF NORTH AURORA, ILLINOIS**

**Police Pension Fund**

**Schedule of Investment Returns**

**May 31, 2023**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.10%
2016	(0.05%)
2017	9.46%
2018	6.10%
2019	2.99%
2020	6.24%
2021	19.20%
2022	(4.39%)
2023	(0.20%)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**VILLAGE OF NORTH AURORA, ILLINOIS**

**Retiree Benefits Plan**

**Schedule of Changes in the Employer's Total OPEB Liability**

**May 31, 2023**

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**See Following Page**

## VILLAGE OF NORTH AURORA, ILLINOIS

### Retiree Benefits Plan

#### Schedule of Changes in the Employer's Total OPEB Liability

May 31, 2023

	<u>5/31/2019</u>
Total OPEB Liability	
Service Cost	\$ 29,369
Interest	37,979
Changes in Benefit Terms	—
Differences Between Expected and Actual	
Experience	36,467
Benefit Payments	<u>(32,494)</u>
Net Change in Total OPEB Liability	71,321
Total OPEB Liability - Beginning	<u>1,148,193</u>
Total OPEB Liability - Ending	<u><u>1,219,514</u></u>
Employee-Covered Payroll	4,738,002
Total OPEB Liability as a Percentage of	
Employee-Covered Payroll	25.74%

#### Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate from 2019 through 2023.

5/31/2020	5/31/2021	5/31/2022	5/31/2023
31,452	35,044	43,706	29,459
37,623	35,325	24,110	42,916
—	74,045	—	218,964
73,435	56,141	(375,085)	(104,217)
(35,094)	(37,902)	(33,920)	(36,294)
107,416	162,653	(341,189)	150,828
1,219,514	1,326,930	1,489,583	1,148,394
1,326,930	1,489,583	1,148,394	1,299,222
4,856,452	5,427,789	5,563,484	5,837,505
27.32%	27.44%	20.64%	22.26%

**VILLAGE OF NORTH AURORA, ILLINOIS****General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	\$ 2,823,500	2,823,500	2,959,610	136,110
Intergovernmental	9,694,000	9,694,000	11,077,549	1,383,549
Licenses and Permits	485,400	485,400	1,024,535	539,135
Charges for Services	333,900	333,900	353,201	19,301
Fines and Forfeitures	233,000	233,000	268,306	35,306
Investment Income	35,000	35,000	261,497	226,497
Miscellaneous	16,500	16,500	10,600	(5,900)
Total Revenues	13,621,300	13,621,300	15,955,298	2,333,998
Expenditures				
General Government	2,367,311	2,557,791	2,499,947	(57,844)
Public Safety	7,070,784	6,991,059	6,892,065	(98,994)
Public Works	2,821,812	2,713,862	2,537,845	(176,017)
Total Expenditures	12,259,907	12,262,712	11,929,857	(332,855)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,361,393	1,358,588	4,025,441	2,666,853
Other Financing Sources (Uses)				
Insurance Claim Reimbursement	50,000	50,000	18,427	(31,573)
Transfers Out	(1,236,596)	(3,636,596)	(3,636,596)	—
	(1,186,596)	(3,586,596)	(3,618,169)	(31,573)
Net Change in Fund Balance	174,797	(2,228,008)	407,272	2,635,280
Fund Balance - Beginning			8,536,658	
Fund Balance - Ending			8,943,930	



**VILLAGE OF NORTH AURORA, ILLINOIS****Route 31 TIF - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Property Taxes	\$ 380,000	380,000	333,363	(46,637)
Investment Income	3,000	3,000	57,372	54,372
Total Revenues	383,000	383,000	390,735	7,735
Expenditures				
General Government				
Contractual Services	82,050	116,355	111,348	(5,007)
Capital Outlay	100,000	65,695	—	(65,695)
Total Expenditures	182,050	182,050	111,348	(70,702)
Excess (Deficiency) of Revenues Over (Under) Expenditures	200,950	200,950	279,387	78,437
Other Financing (Uses)				
Transfers Out	(1,020,000)	(1,020,000)	(1,020,000)	—
Net Change in Fund Balance	(819,050)	(819,050)	(740,613)	78,437
Fund Balance - Beginning			2,107,171	
Fund Balance - Ending			1,366,558	

## **VILLAGE OF NORTH AURORA, ILLINOIS**

### **Budgetary Information**

#### **Notes to the Required Supplementary Information**

**For the Fiscal Year Ended May 31, 2023**

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Annual budgets were adopted for all governmental and proprietary funds (except for the Employee Compensated Absences Fund). Budgets are adopted on a basis consistent with generally accepted accounting principles except that the proprietary funds are budgeted using a current financial resources measurement focus. All annual budgets lapse at fiscal year end.

All departments of the Village submit requests for appropriations to the Village Administrator and Finance Director so that a budget may be prepared. The budget is prepared by fund, department, division and object level and includes information on the past year, current year estimates and requested budgets for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change the budgets, but may not change the form of the budget. The budget may be amended by the governing body pursuant to the Illinois Budget Act.

The Board of Trustees approves all budget amendments which increase or decrease the total budget of a fund or which increase or decrease the total budget of a department in the General Fund. The Finance Director, who serves as Budget Officer, may transfer budget within a department in the General Fund or within other funds as long as the total budget is not changed.

During the year, four budget amendments were adopted and are reflected in the financial statements.

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Fund
- Combining Statements - Internal Service Funds
- Budgetary Comparison Schedules - Internal Service Funds
- Budgetary Comparison Schedules - Pension Trust Fund
- Consolidated Year-End Financial Report

## **INDIVIDUAL FUND SCHEDULES**

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### **GENERAL FUND**

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

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### **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

#### **Route 31 TIF Fund**

The Route 31 TIF Fund is used to account for the operations of the Village's Tax Increment Financing District #1 funded by restricted incremental revenues.

#### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for the Village's share of gasoline taxes restricted by the Illinois Department of Transportation for the operation of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation.

#### **Special Service Areas Fund**

The Montgomery Crossing Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Montgomery Crossing development.

#### **Insurance Fund**

The Insurance Fund is used to account for that portion of the property tax levy restricted for insurance costs and those expenditures on insurance they fund.

#### **Sanitary Sewer Fund**

The Sanitary Sewer Fund is used to account for the collection of user charges per 1,000 gallons of water usage committed or assigned to fund the maintenance and improvement of the sanitary sewer pipes. The commitment was effective May 1, 2011.

#### **Tourism Fund**

The Tourism Fund is used to account for the collection of all hotel taxes and revenues from local festivals restricted by the state for tourism. Ninety percent of hotel taxes paid to the Aurora Area Convention and Tourism Council, and remaining funds are used for local festival expenditures and other tourism related projects.

## **INDIVIDUAL FUND SCHEDULES - Continued**

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### **SPECIAL REVENUE FUNDS - Continued**

#### **United TIF Fund**

The United TIF Fund is used to account for the operations of the Village's Tax Increment Financing District #4 funded by restricted incremental taxes.

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### **DEBT SERVICE FUND**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt.

#### **Police Station Fund**

The Police Station Fund is used to account for the debt service activity related to the 2008 Alternate Revenue Source bonds used to construct the new police station and the 2014 alternate Revenue Source Bonds used to advance refund \$6,705,000 of the 2008 Alternate Revenue Source Bonds.

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### **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

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### **ENTERPRISE FUND**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

#### **Waterworks Fund**

The Waterworks Fund is used to account for all the operating and non-operating revenue and expenses related to the provision of water service to the residents of the Village.

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## **INDIVIDUAL FUND SCHEDULES - Continued**

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### **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

#### **Vehicle and Equipment Fund**

The Vehicle and Equipment Fund is used to account for the accumulation of department service charges to replace or purchase new Village vehicles and equipment and the related expenses.

#### **Employee Compensated Absences Fund**

The Employee Compensated Absences Fund is used to account for the portion of compensated absences related to governmental funds owed to employees.

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### **PENSION TRUST FUND**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

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**VILLAGE OF NORTH AURORA, ILLINOIS****General Fund****Schedule of Revenues - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Taxes				
Property Taxes	\$ 2,370,000	2,370,000	2,389,148	19,148
Property Tax - Road & Bridge	169,000	169,000	171,102	2,102
Auto Rental Taxes	1,500	1,500	13,341	11,841
Telecommunication Taxes	123,000	123,000	135,665	12,665
Video Gaming Taxes	120,000	120,000	156,856	36,856
OTB Handle	—	—	39,882	39,882
Amusement Taxes	40,000	40,000	53,616	13,616
	2,823,500	2,823,500	2,959,610	136,110
Intergovernmental				
Sales Taxes	6,550,000	6,550,000	7,350,962	800,962
Use Taxes	690,000	690,000	753,038	63,038
Cannabis Excise Taxes	29,000	29,000	28,349	(651)
Illinois Income Taxes	2,350,000	2,350,000	2,810,212	460,212
Replacement Taxes	72,500	72,500	130,638	58,138
Grants	2,500	2,500	4,350	1,850
	9,694,000	9,694,000	11,077,549	1,383,549
Licenses and Permits	485,400	485,400	1,024,535	539,135
Charges for Services	333,900	333,900	353,201	19,301
Fines and Forfeitures	233,000	233,000	268,306	35,306
Investment Income	35,000	35,000	261,497	226,497
Miscellaneous	16,500	16,500	10,600	(5,900)
Total Revenues	13,621,300	13,621,300	15,955,298	2,333,998

# VILLAGE OF NORTH AURORA, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
General Government				
Village Officers and Trustee				
Personnel Services	\$ 71,874	71,874	69,724	(2,150)
Contractual Services	28,820	28,820	15,741	(13,079)
Commodities	5,550	5,550	2,386	(3,164)
Capital Outlay	1,000	1,000	—	(1,000)
	107,244	107,244	87,851	(19,393)
Administration/Finance				
Personnel Services	1,013,549	1,040,409	1,023,714	(16,695)
Contractual Services	315,415	283,300	266,788	(16,512)
Commodities	27,065	27,105	21,918	(5,187)
Capital Outlay	10,745	15,960	15,957	(3)
	1,366,774	1,366,774	1,328,377	(38,397)
Community Development				
Personnel Services	585,773	594,908	594,896	(12)
Contractual Services	234,165	356,655	356,627	(28)
Commodities	8,000	7,155	7,150	(5)
Capital Outlay	13,085	12,585	12,585	—
	841,023	971,303	971,258	(45)
Other Departments				
Contractual Services	287,500	347,700	347,691	(9)
Less Reimbursements from Other Funds	(235,230)	(235,230)	(235,230)	—
Total General Government	2,367,311	2,557,791	2,499,947	(57,844)
Public Safety				
Police Commission				
Personnel Services	1,500	3,000	3,000	—
Contractual Services	6,175	8,175	8,175	—
	7,675	11,175	11,175	—



**VILLAGE OF NORTH AURORA, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Public Safety - Continued				
Police Department				
Personnel Services	\$ 6,055,457	5,994,227	5,936,539	(57,688)
Contractual Services	620,917	524,047	485,655	(38,392)
Commodities	163,530	228,185	225,275	(2,910)
Capital Outlay	223,205	233,425	233,421	(4)
	7,063,109	6,979,884	6,880,890	(98,994)
Total Public Safety	7,070,784	6,991,059	6,892,065	(98,994)
Public Works				
Personnel Services	1,604,247	1,538,012	1,494,912	(43,100)
Contractual Services	988,080	918,275	806,540	(111,735)
Commodities	76,170	97,425	76,248	(21,177)
Capital Outlay	153,315	160,150	160,145	(5)
Total Public Works	2,821,812	2,713,862	2,537,845	(176,017)
Total Expenditures	12,259,907	12,262,712	11,929,857	(332,855)

# VILLAGE OF NORTH AURORA, ILLINOIS

## Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Other Taxes				
Non-Home Rule Sales Tax	\$ 1,271,000	1,271,000	1,556,903	285,903
Utility Tax - Electric	402,000	402,000	374,826	(27,174)
Utility Tax - Gas	141,400	141,400	276,001	134,601
Intergovernmental				
Grants	—	—	67,298	67,298
Investment Income	7,000	7,000	403,347	396,347
Miscellaneous	15,000	15,000	669,406	654,406
Total Revenues	1,836,400	1,836,400	3,347,781	1,511,381
Expenditures				
Capital Outlay				
Annual Road Program	4,058,180	4,058,180	3,235,366	(822,814)
Village Facilities	1,003,595	1,003,595	141,747	(861,848)
Sidewalk/ROW Improvements	25,000	25,000	—	(25,000)
Capital Improvements	720,400	880,400	224,676	(655,724)
Total Expenditures	5,807,175	5,967,175	3,601,789	(2,365,386)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,970,775)	(4,130,775)	(254,008)	3,876,767
Other Financing Sources				
Transfers In	600,000	600,000	3,000,000	2,400,000
Net Change in Fund Balance	<u>(3,370,775)</u>	<u>(3,530,775)</u>	2,745,992	<u>6,276,767</u>
Fund Balance - Beginning			<u>10,417,001</u>	
Fund Balance - Ending			<u>13,162,993</u>	

**VILLAGE OF NORTH AURORA, ILLINOIS**

**Nonmajor Governmental Funds  
Combining Balance Sheet  
May 31, 2023**

	Special Revenue							Debt	
	Motor Fuel Tax	Special Service Areas	Insurance	Sanitary Sewer	Tourism	United TIF	Totals	Police Station	Totals
<b>ASSETS</b>									
Cash and Investments	\$ 1,585,183	181,676	459,561	1,683,670	68,446	248,033	4,519,311	292,742	
Receivables - Net of Allowances									
Property Taxes	—	76,231	279,461	—	—	387,981	743,673	—	
Other Taxes	117,245	—	—	—	10,644	—	127,889	—	
Accounts	—	—	—	10,971	—	—	10,971	—	
Accrued Interest	—	—	—	3,765	—	—	3,765	—	
Prepays	—	—	—	—	9,480	—	9,480	—	
Total Assets	1,702,428	257,907	739,022	1,698,406	88,570	636,014	5,415,089	292,742	
<b>LIABILITIES</b>									
Accounts Payable	75,519	2,582	—	10,456	13,728	3,950	106,235	—	
Retainage Payable	—	—	—	1,335	—	—	1,335	—	
Total Liabilities	75,519	2,582	—	11,791	13,728	3,950	107,570	—	
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Property Taxes	—	78,301	291,003	—	—	396,307	765,611	—	
Total Liabilities and Deferred Inflows of Resources	75,519	80,883	291,003	11,791	13,728	400,257	873,181	—	
<b>FUND BALANCES</b>									
Nonspendable	—	—	—	—	9,480	—	9,480	—	
Restricted	1,626,909	144,124	—	—	—	235,757	2,299,532	292,742	
Assigned	—	32,900	448,019	1,686,615	65,362	—	2,232,896	—	
Total Fund Balances	1,626,909	177,024	448,019	1,686,615	74,842	235,757	4,541,908	292,742	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	1,702,428	257,907	739,022	1,698,406	88,570	636,014	5,415,089	292,742	

# VILLAGE OF NORTH AURORA, ILLINOIS

## Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended May 31, 2023

	Special Revenue							Debt	
	Motor Fuel Tax	Special Service Areas	Insurance	Sanitary Sewer	Tourism	United TIF	Totals	Police Station	
Revenues									
Taxes	\$ —	58,232	283,902	—	97,054	112,900	552,088	—	
Intergovernmental	984,400	—	—	—	—	—	984,400	—	
Licenses and Permits	—	—	—	236,766	—	—	236,766	—	
Charges for Services	—	—	40,000	77,899	—	—	117,899	—	
Investment Income	50,975	3,161	12,984	36,559	1,573	22	114,817	9,543	
Miscellaneous	38,193	—	—	—	56,404	6,255	100,852	—	
Total Revenues	1,073,568	61,393	336,886	351,224	155,031	119,177	2,106,822	9,543	
Expenditures									
General Government	—	43,836	40,540	—	136,928	—	221,304	—	
Public Safety	—	—	235,868	—	—	—	235,868	—	
Public Works	501,464	—	73,709	—	—	120,525	695,698	—	
Sanitation	—	—	18,427	272,752	—	—	291,179	—	
Capital Outlay	—	—	—	—	—	782,895	782,895	—	
Debt Service	—	—	—	—	—	—	—	—	
Principal Retirement	—	—	—	—	—	—	515,000	515,000	
Interest and Fiscal Charges	—	—	—	—	—	—	120,175	120,175	
Total Expenditures	501,464	43,836	368,544	272,752	136,928	903,420	2,862,119	635,175	
Excess (Deficiency) of Revenues Over (Under) Expenditures	572,104	17,557	(31,658)	78,472	18,103	(784,243)	(755,297)	(625,632)	
Other Financing Sources									
Insurance Claim Reimbursement	—	—	92,524	—	—	—	92,524	—	
Transfers In	—	—	—	—	—	1,020,000	1,656,596	636,596	
	—	—	92,524	—	—	1,020,000	1,749,120	636,596	
Net Change in Fund Balances	572,104	17,557	60,866	78,472	18,103	235,757	993,823	10,964	
Fund Balances - Beginning	1,054,805	159,467	387,153	1,608,143	56,739	—	3,548,085	281,778	
Fund Balances - Ending	1,626,909	177,024	448,019	1,686,615	74,842	235,757	4,541,908	292,742	

**VILLAGE OF NORTH AURORA, ILLINOIS****Motor Fuel Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental				
Motor Fuel Tax Allotments	\$ 735,000	735,000	792,828	57,828
Rebuild Illinois	—	—	191,572	191,572
Investment Income	1,000	1,000	50,975	49,975
Miscellaneous	—	—	38,193	38,193
Total Revenues	<u>736,000</u>	<u>736,000</u>	<u>1,073,568</u>	<u>337,568</u>
Expenditures				
Public Works				
Contractual Services	239,000	264,455	264,443	(12)
Commodities	217,000	237,305	237,021	(284)
Total Expenditures	<u>456,000</u>	<u>501,760</u>	<u>501,464</u>	<u>(296)</u>
Net Change in Fund Balance	<u>280,000</u>	<u>234,240</u>	572,104	<u>337,864</u>
Fund Balance - Beginning			<u>1,054,805</u>	
Fund Balance - Ending			<u>1,626,909</u>	

# VILLAGE OF NORTH AURORA, ILLINOIS

## Special Service Areas - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Property Taxes	\$ 58,300	58,300	58,232	(68)
Investment Income	100	100	3,161	3,061
Total Revenues	58,400	58,400	61,393	2,993
Expenditures				
General Government				
Contractual Services	52,980	52,980	43,836	(9,144)
Net Change in Fund Balance	5,420	5,420	17,557	12,137
Fund Balance - Beginning			159,467	
Fund Balance - Ending			177,024	

**VILLAGE OF NORTH AURORA, ILLINOIS****Insurance - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Property Taxes	\$ 280,000	280,000	283,902	3,902
Charges for Services	40,000	40,000	40,000	—
Investment Income	600	600	12,984	12,384
Total Revenues	320,600	320,600	336,886	16,286
Expenditures				
General Government	40,282	40,540	40,540	—
Public Safety	234,368	235,872	235,868	(4)
Public Works	73,240	73,710	73,709	(1)
Sanitation	18,310	18,428	18,427	(1)
Total Expenditures	366,200	368,550	368,544	(6)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,600)	(47,950)	(31,658)	16,292
Other Financing Sources				
Insurance Claim Reimbursement	40,000	40,000	92,524	52,524
Net Change in Fund Balance	<u>(5,600)</u>	<u>(7,950)</u>	60,866	<u>68,816</u>
Fund Balance - Beginning			<u>387,153</u>	
Fund Balance - Ending			<u><u>448,019</u></u>	

**VILLAGE OF NORTH AURORA, ILLINOIS****Sanitary Sewer - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Licenses and Permits	\$ 50,000	50,000	236,766	186,766
Charges for Services	85,000	85,000	77,899	(7,101)
Investment Income	7,000	7,000	36,559	29,559
Total Revenues	142,000	142,000	351,224	209,224
Expenditures				
Sanitation				
Contractual Services	277,875	272,760	272,752	(8)
Net Change in Fund Balance	(135,875)	(130,760)	78,472	209,232
Fund Balance - Beginning			1,608,143	
Fund Balance - Ending			1,686,615	



**VILLAGE OF NORTH AURORA, ILLINOIS****Tourism - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Hotel Taxes	\$ 85,000	85,000	97,054	12,054
Investment Income	100	100	1,573	1,473
Miscellaneous	80,000	80,000	56,404	(23,596)
Total Revenues	165,100	165,100	155,031	(10,069)
Expenditures				
General Government				
Contractual Services	166,500	166,500	136,928	(29,572)
Net Change in Fund Balance	(1,400)	(1,400)	18,103	19,503
Fund Balance - Beginning			56,739	
Fund Balance - Ending			74,842	

**VILLAGE OF NORTH AURORA, ILLINOIS****United TIF - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Property Taxes	\$ 112,000	112,000	112,900	900
Investment Income	1,800	1,800	22	(1,778)
Miscellaneous	—	—	6,255	6,255
Total Revenues	113,800	113,800	119,177	5,377
Expenditures				
General Government				
Contractual Services	192,050	230,115	120,525	(109,590)
Capital Outlay	938,300	900,235	782,895	(117,340)
Total Expenditures	1,130,350	1,130,350	903,420	(226,930)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,016,550)	(1,016,550)	(784,243)	232,307
Other Financing Sources				
Transfers In	1,020,000	1,020,000	1,020,000	—
Net Change in Fund Balance	3,450	3,450	235,757	232,307
Fund Balance - Beginning			—	
Fund Balance - Ending			235,757	

**VILLAGE OF NORTH AURORA, ILLINOIS****Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended May 31, 2023**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Investment Income	\$ 400	400	9,543	9,143
Expenditures				
General Government				
Miscellaneous	60	60	—	(60)
Debt Service				
Principal Retirement	515,000	515,000	515,000	—
Interest and Fiscal Charges	120,300	120,300	120,175	(125)
Total Expenditures	635,360	635,360	635,175	(185)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(634,960)	(634,960)	(625,632)	9,328
Other Financing Sources				
Transfers In	636,596	636,596	636,596	—
Net Change in Fund Balance	1,636	1,636	10,964	9,328
Fund Balance - Beginning			281,778	
Fund Balance - Ending			292,742	

# VILLAGE OF NORTH AURORA, ILLINOIS

## Waterworks - Enterprise Fund

### Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
Operating Revenues				
Charges for Services				
Water Sales	\$ 2,731,000	2,731,000	2,527,843	(203,157)
Water Meters	45,000	45,000	106,770	61,770
Water Permits	250,000	250,000	706,742	456,742
Other	35,000	35,000	52,475	17,475
Total Revenues	3,061,000	3,061,000	3,393,830	332,830
Operating Expenses				
Operations				
Personnel Services	713,758	724,428	682,489	(41,939)
Contractual Services	1,606,940	1,653,860	1,455,354	(198,506)
Commodities	95,750	109,435	106,497	(2,938)
Capital Outlay	1,723,500	1,652,225	1,468,142	(184,083)
Total Operating Expenses	4,139,948	4,139,948	3,712,482	(427,466)
Operating (Loss)	(1,078,948)	(1,078,948)	(318,652)	760,296
Nonoperating Revenues (Expenses)				
Investment Income	9,000	9,000	189,640	180,640
Other Income	232,000	232,000	225,997	(6,003)
Principal Retirement	(360,000)	(360,000)	(360,000)	—
Interest Expense	(136,675)	(136,675)	(117,148)	19,527
	(255,675)	(255,675)	(61,511)	194,164
(Loss) Before Grants	(1,334,623)	(1,334,623)	(380,163)	954,460
Capital Grants	—	—	1,733,131	1,733,131
Non-GAAP Basis Change in Net Position	(1,334,623)	(1,334,623)	1,352,968	2,687,591
Adjustments to GAAP Basis				
Principal Retirement	—	—	360,000	360,000
Capital Assets Capitalized	—	—	1,467,192	1,467,192
Depreciation and Amortization	—	—	(1,032,659)	(1,032,659)
	—	—	794,533	794,533
Change in Net Position	(1,334,623)	(1,334,623)	2,147,501	3,482,124
Net Position - Beginning			28,488,105	
Net Position - Ending			30,635,606	

# VILLAGE OF NORTH AURORA, ILLINOIS

## Internal Service Funds

### Combining Statement of Net Position

May 31, 2023

	Vehicle and Equipment	Employee Compensated Absences	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 2,255,031	522,532	2,777,563
Receivables - Net of Allowances			
Accrued Interest	2,689	—	2,689
Due from Other Governments	12,068	—	12,068
Inventories	27,713	—	27,713
Prepays	36,065	—	36,065
Total Current Assets	2,333,566	522,532	2,856,098
Noncurrent Assets			
Capital Assets			
Nondepreciable	15,800	—	15,800
Depreciable	4,196,990	—	4,196,990
Accumulated Depreciation	(2,482,470)	—	(2,482,470)
Total Noncurrent Assets	1,730,320	—	1,730,320
Total Assets	4,063,886	522,532	4,586,418
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	6,413	—	6,413
Current Portion of Long-Term Debt	25,467	130,633	156,100
Total Current Liabilities	31,880	130,633	162,513
Noncurrent Liabilities			
Compensated Absences Payable	—	391,899	391,899
Installment Contracts Payable	76,400	—	76,400
Total Noncurrent Liabilities	76,400	391,899	468,299
Total Liabilities	108,280	522,532	630,812
<b>NET POSITION</b>			
Investment in Capital Assets	1,730,320	—	1,730,320
Unrestricted	2,225,286	—	2,225,286
Total Net Position	3,955,606	—	3,955,606

**VILLAGE OF NORTH AURORA, ILLINOIS****Internal Service****Combining Statement of Revenues, Expenses and Changes in Net Position****For the Fiscal Year Ended May 31, 2023**

	Vehicle and Equipment	Employee Compensated Absences	Totals
Operating Revenues			
Interfund Services	\$ 410,975	16,405	427,380
Operating Expenses			
Operations	261,252	16,405	277,657
Depreciation	268,098	—	268,098
Total Operating Expenses	529,350	16,405	545,755
Operating (Loss)	(118,375)	—	(118,375)
Nonoperating Revenues			
Investment Income	18,711	—	18,711
Grants	12,068	—	12,068
Other Income	427,337	—	427,337
	458,116	—	458,116
Income Before Before Contributions	339,741	—	339,741
Capital Contributions	10,000	—	10,000
Change in Net Position	349,741	—	349,741
Net Position - Beginning	3,605,865	—	3,605,865
Net Position - Ending	3,955,606	—	3,955,606

# VILLAGE OF NORTH AURORA, ILLINOIS

## Internal Service

### Combining Statements of Cash Flows

For the Fiscal Year Ended May 31, 2023

	Vehicle and Equipment	Employee Compensated Absences	Totals
Cash Flows from Operating Activities			
Interfund Services Provided	\$ 384,670	16,405	401,075
Payments to Suppliers	(308,994)	1	(308,993)
	75,676	16,406	92,082
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(449,939)	—	(449,939)
Debt Issuance	127,334	—	127,334
Payment of Principal	(25,467)	—	(25,467)
Interest Expense	427,337	—	427,337
	79,265	—	79,265
Cash Flows from Investing Activities			
Investment Income	18,711	—	18,711
Net Change in Cash and Cash Equivalents	173,652	16,406	190,058
Cash and Cash Equivalents - Beginning	2,081,379	506,126	2,587,505
Cash and Cash Equivalents - Ending	2,255,031	522,532	2,777,563
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating (Loss)	(118,375)	—	(118,375)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities			
Depreciation	268,098	—	268,098
Other Income	12,068	—	12,068
(Increase) Decrease in Current Assets	(38,373)	—	(38,373)
Increase (Decrease) in Current Liabilities	(47,742)	16,406	(31,336)
Net Cash Provided by Operating Activities	75,676	16,406	92,082
Noncash Capital and Related Financing Activities			
Capital Contributions	10,000	—	10,000

# VILLAGE OF NORTH AURORA, ILLINOIS

## Vehicle and Equipment - Internal Service Fund

### Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
Operating Revenues				
Interfund Services	\$ 410,975	410,975	410,975	—
Operating Expenses				
Operations and Capital	1,022,880	1,022,880	711,191	(311,689)
Operating (Loss)	(611,905)	(611,905)	(300,216)	311,689
Nonoperating Revenues				
Investment Income	4,000	4,000	18,711	14,711
Disposal of Capital Assets	25,000	25,000	—	(25,000)
Grants	—	—	12,068	12,068
Other Income	—	—	427,337	427,337
	29,000	29,000	458,116	429,116
Income (Loss) Before Contributions	(582,905)	(582,905)	157,900	740,805
Capital Contributions	—	—	10,000	10,000
Non-GAAP Basis Change in Net Position	(582,905)	(582,905)	167,900	750,805
Adjustments to GAAP Basis				
Capital Assets Capitalized	—	—	449,939	449,939
Depreciation	—	—	(268,098)	(268,098)
	—	—	181,841	181,841
Change in Net Position	(582,905)	(582,905)	349,741	932,646
Net Position - Beginning			3,605,865	
Net Position - Ending			3,955,606	



# VILLAGE OF NORTH AURORA, ILLINOIS

## Police Pension - Pension Trust Fund

### Schedule of Changes in the Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended May 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
Additions				
Contributions - Employer	\$ 1,443,240	1,443,240	1,443,240	—
Contributions - Plan Members	332,000	332,000	312,634	(19,366)
Contributions - Buyback	—	—	824,515	824,515
Total Contributions	1,775,240	1,775,240	2,580,389	805,149
Investment Income				
Interest Earned	750,040	750,040	258,452	(491,588)
Net Change in Fair Value	500,000	500,000	150,997	(349,003)
	1,250,040	1,250,040	409,449	(840,591)
Less Investment Expenses	(33,800)	(40,200)	(40,192)	8
Net Investment Income	1,216,240	1,209,840	369,257	(840,583)
Total Additions	2,991,480	2,985,080	2,949,646	(35,434)
Deductions				
Administration	17,900	34,200	34,194	(6)
Benefits and Refunds	1,269,530	1,334,405	1,334,400	(5)
Total Deductions	1,287,430	1,368,605	1,368,594	(11)
Change in Fiduciary Net Position	1,704,050	1,616,475	1,581,052	(35,423)
Net Position Restricted for Pensions				
Beginning			23,017,873	
Ending			24,598,925	

## VILLAGE OF NORTH AURORA, ILLINOIS

### Consolidated Year-End Financial Report May 31, 2023

CSFA #	Program Name	State	Federal	Other	Total
420-75-1632	CDBG Public Infrastructure	\$ —	—	—	—
560-00-3146	ILETSB Data Storage Grant	12,068	—	—	12,068
	Other Grant Programs and Activities	—	1,800,429	4,350	1,804,779
	All Other Costs Not Allocated	—	—	20,881,587	20,881,587
	Totals	12,068	1,800,429	20,885,937	22,698,434



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

October 13, 2023

The Honorable Village President  
Members of the Board of Trustees  
Village of North Aurora, Illinois

We have audited, in accordance with the 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of North Aurora (the Village), Illinois, as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated October 13, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. According, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village of North Aurora, Illinois  
October 13, 2023

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **SUPPLEMENTAL SCHEDULES**

## VILLAGE OF NORTH AURORA, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Alternate Revenue Source Refunding Bonds of 2014

May 31, 2023

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Date of Issue	February 20, 2014
Date of Maturity	January 1, 2029
Authorized Issue	\$6,885,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago, IL
Debt Retired by	Police Station Debt Service Fund

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 535,000	104,250	639,250
2025	550,000	88,200	638,200
2026	570,000	71,700	641,700
2027	585,000	54,600	639,600
2028	610,000	37,050	647,050
2029	625,000	18,750	643,750
	3,475,000	374,550	3,849,550

## VILLAGE OF NORTH AURORA, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Alternate Revenue Source Bonds of 2017

May 31, 2023

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Date of Issue	April 4, 2017
Date of Maturity	January 1, 2032
Authorized Issue	\$5,800,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 4.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago, IL
Debt Retired by	Waterworks Fund

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 370,000	125,275	495,275
2025	380,000	114,175	494,175
2026	390,000	102,775	492,775
2027	405,000	91,075	496,075
2028	415,000	78,925	493,925
2029	430,000	65,438	495,438
2030	440,000	51,464	491,464
2031	455,000	36,062	491,062
2032	475,000	18,999	493,999
	<u>3,760,000</u>	<u>684,188</u>	<u>4,444,188</u>

## VILLAGE OF NORTH AURORA, ILLINOIS

### Long-Term Debt Requirements

#### Installment Contract Payable of 2022 - Body Cameras

May 31, 2023

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Date of Issue	May 1, 2022
Date of Maturity	May 1, 2026
Authorized Issue	\$72,635
Interest Rates	Non-Interest Bearing
Interest Dates	Non-Interest Bearing
Principal Maturity Date	May 1
Payable at	Axon Enterprise, Inc
Debt Retired By	Vehicle and Equipment

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 14,527	—	14,527
2025	14,527	—	14,527
2026	14,527	—	14,527
2027	14,527	—	14,527
	58,108	—	58,108



## VILLAGE OF NORTH AURORA, ILLINOIS

### Long-Term Debt Requirements

#### Installment Contract Payable of 2022 - Squad Cameras

May 31, 2023

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Date of Issue	May 1, 2022
Date of Maturity	May 1, 2026
Authorized Issue	\$54,699
Interest Rates	Non-Interest Bearing
Interest Dates	Non-Interest Bearing
Principal Maturity Date	May 1
Payable at	Axon Enterprise, Inc
Debt Retired By	Vehicle and Equipment

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 10,940	—	10,940
2025	10,940	—	10,940
2026	10,940	—	10,940
2027	10,939	—	10,939
	43,759	—	43,759

## **STATISTICAL SECTION (Unaudited)**

This part of the annual comprehensive 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 Village's overall financial health.

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

# VILLAGE OF NORTH AURORA, ILLINOIS

## Net Position by Component - Last Ten Fiscal Years\* May 31, 2023 (Unaudited)

	2014	2015	2016**	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 85,083,399	86,384,283	87,966,627	88,313,085	88,427,188	88,935,559	89,821,725	85,736,908	89,457,674	90,796,410
Restricted	3,748,762	4,049,089	3,293,677	2,940,679	3,002,428	3,068,317	3,576,423	4,317,255	3,579,902	3,684,228
Unrestricted	10,404,995	10,519,121	1,979,304	2,078,106	2,769,907	2,045,151	1,426,357	5,973,627	9,820,744	11,454,048
Total Governmental										
Activities Net Position	99,237,156	100,952,493	93,239,608	93,331,870	94,199,523	94,049,027	94,824,505	96,027,790	102,858,320	105,934,686
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	20,966,641	22,099,689	22,191,726	21,830,789	20,927,587	20,894,884	20,923,411	20,723,624	20,861,210	21,476,565
Unrestricted	2,893,770	2,406,255	2,744,852	2,900,145	4,081,482	4,761,041	5,731,205	6,560,585	7,626,895	9,159,041
Total Business-Type										
Activities Net Position	23,860,411	24,505,944	24,936,578	24,730,934	25,009,069	25,655,925	26,654,616	27,284,209	28,488,105	30,635,606
<b>Primary Government</b>										
Net Investment in Capital Assets	106,050,040	108,483,972	110,158,353	110,143,874	109,354,775	109,830,443	110,745,136	106,460,532	110,318,884	112,272,975
Restricted	3,748,762	4,049,089	3,293,677	2,940,679	3,002,428	3,068,317	3,576,423	4,317,255	3,579,902	3,684,228
Unrestricted	13,298,765	12,925,376	4,724,156	4,978,251	6,851,389	6,806,192	7,157,562	12,534,212	17,447,639	20,613,089
Total Primary										
Government Net Position	123,097,567	125,458,437	118,176,186	118,062,804	119,208,592	119,704,952	121,479,121	123,311,999	131,346,425	136,570,292

\*Accrual Basis of Accounting

\*\*The Village implemented GASB Statement No. 68 in fiscal year 2016.

Data Source: Audited Financial Statements

# VILLAGE OF NORTH AURORA, ILLINOIS

## Changes in Net Position - Last Ten Fiscal Years\* May 31, 2023 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
General Government	\$ 2,509,574	2,739,039	2,751,762	2,658,299	3,167,235	3,291,405	3,835,537	5,584,788	3,058,958	3,607,406
Public Safety	5,193,500	5,413,092	6,035,035	6,211,779	6,054,957	6,895,823	7,274,327	6,643,427	7,159,659	8,842,059
Public Works	4,765,606	6,086,057	5,380,250	4,795,769	4,668,722	5,086,291	5,073,506	5,207,396	5,627,917	6,060,122
Sanitation	558,586	577,795	487,802	704,175	418,347	600,875	558,407	420,679	411,111	676,321
Interest on Long-Term Debt	465,671	459,862	287,892	259,260	233,328	206,395	178,511	151,271	129,758	117,429
Total Governmental Activities Expenses	13,492,937	15,275,845	14,942,741	14,629,282	14,542,589	16,080,789	16,920,288	18,007,561	16,387,403	19,303,337
Business-Type Activities										
Waterworks	2,399,782	2,332,989	2,265,473	2,800,134	2,621,550	2,827,934	2,857,810	2,736,862	2,995,180	3,395,097
Total Primary Government Expenses	15,892,719	17,608,834	17,208,214	17,429,416	17,164,139	18,908,723	19,778,098	20,744,423	19,382,583	22,698,434
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	1,104,559	1,295,616	1,210,730	869,123	894,698	1,166,275	887,670	946,818	1,405,474	1,417,736
Public Safety	—	—	—	—	—	—	—	239,742	220,173	268,306
Sanitation	630,640	436,583	533,199	353,591	423,942	347,930	115,189	155,311	185,815	314,665
Operating Grants and Contributions	609,785	547,447	477,516	466,331	473,490	478,186	848,314	2,349,712	787,718	809,246
Capital Grants and Contributions	2,810,769	3,117,646	1,410,172	839,023	840,642	903,665	1,609,289	117,194	3,559,164	268,870
Total Governmental Activities Program Revenues	5,155,753	5,397,292	3,631,617	2,528,068	2,632,772	2,896,056	3,745,075	3,808,777	6,158,344	3,078,823
Business-Type Activities										
Charges for Services										
Waterworks	2,772,684	2,544,588	2,841,797	2,558,809	2,606,783	2,709,384	2,731,406	3,072,826	3,242,430	3,393,830
Capital Grants and Contributions	174,062	418,913	10,597	—	—	401,473	636,242	100,138	728,271	1,733,131
Total Business-Type Activities Program Revenues	2,946,746	2,963,501	2,852,394	2,558,809	2,606,783	3,110,857	3,367,648	3,172,964	3,970,701	5,126,961
Total Primary Government Program Revenues	8,102,499	8,360,793	6,484,011	5,086,877	5,239,555	6,006,913	7,112,723	6,981,741	10,129,045	8,205,784

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense) Revenue										
Governmental Activities	\$ (8,337,184)	(9,878,553)	(11,311,124)	(12,101,214)	(11,909,817)	(13,184,733)	(13,175,213)	(14,198,784)	(10,229,059)	(16,224,514)
Business-Type Activities	546,964	630,512	586,921	(241,325)	(14,767)	282,923	509,838	436,102	975,521	1,731,864
Total Primary Government Net (Expense) Revenue	(7,790,220)	(9,248,041)	(10,724,203)	(12,342,539)	(11,924,584)	(12,901,810)	(12,665,375)	(13,762,682)	(9,253,538)	(14,492,650)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	3,328,978	3,346,397	3,390,542	3,405,492	3,421,482	3,625,303	3,736,780	3,593,707	3,414,761	3,348,647
Non Home-Rule Sales Taxes	5,063,094	5,255,029	5,354,915	5,585,044	1,050,266	1,013,423	1,015,401	1,121,810	1,455,467	1,556,903
Utility Taxes	897,503	831,999	766,165	789,748	760,264	766,543	699,366	701,240	771,417	786,492
Other	485,784	564,203	623,985	632,819	223,643	313,289	272,040	157,006	303,412	360,749
Intergovernmental - Unrestricted										
Sales Taxes	—	—	—	—	4,711,465	4,712,911	4,909,851	6,473,313	7,193,540	7,350,962
Income Taxes	1,600,554	1,688,499	1,714,327	1,612,400	1,587,027	1,804,364	1,715,932	2,117,029	2,847,016	2,810,212
Use Taxes	—	—	—	—	466,689	545,827	642,783	780,791	731,521	781,387
Replacement Taxes	—	—	—	—	35,301	38,190	40,748	54,080	115,580	130,638
Investment Income (Loss)	95,274	(180,909)	92,804	102,993	179,922	464,334	609,192	57,541	(126,580)	855,744
Miscellaneous	64,025	88,672	28,252	64,980	341,411	456,447	308,598	345,552	353,455	1,319,146
Total Governmental Activities	11,535,212	11,593,890	11,970,990	12,193,476	12,777,470	13,740,631	13,950,691	15,402,069	17,059,589	19,300,880
Business-Type Activities										
Investment Income	6,777	7,087	6,626	21,607	82,620	202,567	200,130	13,448	4,663	189,640
Miscellaneous	4,133	7,934	24,019	14,074	210,282	217,754	288,723	180,043	223,712	225,997
Total Business-Type Activities	10,910	15,021	30,645	35,681	292,902	420,321	488,853	193,491	228,375	415,637
Total Primary Government	11,546,122	11,608,911	12,001,635	12,229,157	13,070,372	14,160,952	14,439,544	15,595,560	17,287,964	19,716,517
Changes in Net Position										
Governmental Activities	3,198,028	1,715,337	659,866	92,262	867,653	555,898	775,478	1,203,285	6,830,530	3,076,366
Business-Type Activities	557,874	645,533	617,566	(205,644)	278,135	703,244	998,691	629,593	1,203,896	2,147,501
Total Primary Government Changes in Net Position	3,755,902	2,360,870	1,277,432	(113,382)	1,145,788	1,259,142	1,774,169	1,832,878	8,034,426	5,223,867

\* Accrual Basis of Accounting

Data Source: Audited Financial Statements

# VILLAGE OF NORTH AURORA, ILLINOIS

## Fund Balances of Governmental Funds - Last Ten Fiscal Years\* May 31, 2023 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 5,866	18,743	19,129	19,765	6,104	20,456	91,324	185,730	262,078	239,269
Restricted	19,070	16,535	23,493	31,821	52,464	26,383	25,763	44,591	61,996	61,576
Unassigned	6,152,602	6,364,785	6,605,504	6,898,400	7,066,396	7,396,141	7,449,810	7,491,735	8,212,584	8,643,085
Total General Fund	6,177,538	6,400,063	6,648,126	6,949,986	7,124,964	7,442,980	7,566,897	7,722,056	8,536,658	8,943,930
All Other Governmental Funds										
Nonspendable	—	972	—	5,325	11,500	1,900	800	550	6,320	9,480
Restricted	3,729,692	4,032,554	3,270,184	2,908,858	3,037,605	3,118,122	3,614,999	4,326,747	3,567,781	3,666,090
Committed	641,896	294,517	—	—	702,562	420,898	173,866	587,173	955,451	—
Assigned	3,849,499	3,788,586	3,924,404	3,869,046	4,161,826	4,620,851	5,355,563	8,682,644	11,542,705	15,395,889
Total All Other Governmental Funds	8,221,087	8,116,629	7,194,588	6,783,229	7,913,493	8,161,771	9,145,228	13,597,114	16,072,257	19,071,459
Total Governmental Funds	14,398,625	14,516,692	13,842,714	13,733,215	15,038,457	15,604,751	16,712,125	21,319,170	24,608,915	28,015,389

\*Modified Accrual Basis of Accounting

Data Sources: Audited Financial Statements

# VILLAGE OF NORTH AURORA, ILLINOIS

## Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\* May 31, 2023 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Taxes	\$ 9,775,359	9,997,628	10,135,609	10,413,105	5,455,655	5,718,558	5,723,587	5,573,763	5,945,057	6,052,791
Intergovernmental	2,303,622	2,296,559	2,216,295	2,093,264	7,273,972	7,735,478	8,250,478	11,774,925	11,875,597	12,129,247
Licenses and Permits	828,380	987,674	980,051	479,890	547,092	783,387	568,826	631,602	1,127,661	1,261,301
Charges for Services	650,364	637,452	571,260	585,900	589,510	502,160	441,398	472,912	466,664	471,100
Fines and Forfeitures	177,756	142,274	125,525	127,720	182,038	228,658	277,248	237,357	217,137	268,306
Developer Contributions	904,416	228,474	307,130	42,490	—	—	—	—	—	—
Investment Income (Loss)	95,274	(180,909)	92,804	102,993	160,145	417,510	554,472	48,940	(84,290)	837,033
Miscellaneous	27,626	53,471	95,343	94,185	277,915	260,552	222,388	219,212	168,698	780,858
<b>Total Revenues</b>	<b>14,762,797</b>	<b>14,162,623</b>	<b>14,524,017</b>	<b>13,939,547</b>	<b>14,486,327</b>	<b>15,646,303</b>	<b>16,038,397</b>	<b>18,958,711</b>	<b>19,716,524</b>	<b>21,800,636</b>
<b>Expenditures</b>										
General Government	2,309,967	2,567,418	2,536,799	2,489,554	2,747,687	2,862,763	2,844,546	2,254,521	2,623,074	2,832,599
Public Safety	4,804,652	5,190,232	5,202,837	5,439,089	5,436,470	5,929,542	5,944,494	6,579,226	6,858,776	7,127,933
Public Works	2,563,622	2,314,769	2,505,027	2,491,077	2,352,149	2,564,808	2,713,108	2,744,995	2,854,880	3,233,543
Sanitation	243,504	230,131	145,104	314,133	81,121	246,836	229,554	92,722	88,917	291,179
Capital Outlay	2,559,030	2,718,904	3,667,311	2,218,724	1,623,316	2,463,075	2,112,934	1,767,874	3,520,181	4,384,684
Debt Service										
Principal Retirement	725,000	760,000	850,000	890,000	920,000	950,000	980,000	885,000	505,000	515,000
Interest and Fiscal Charges	468,261	516,082	294,165	263,325	237,825	211,288	183,800	154,967	130,275	120,175
<b>Total Expenditures</b>	<b>13,674,036</b>	<b>14,297,536</b>	<b>15,201,243</b>	<b>14,105,902</b>	<b>13,398,568</b>	<b>15,228,312</b>	<b>15,008,436</b>	<b>14,479,305</b>	<b>16,581,103</b>	<b>18,505,113</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,088,761</b>	<b>(134,913)</b>	<b>(677,226)</b>	<b>(166,355)</b>	<b>1,087,759</b>	<b>417,991</b>	<b>1,029,961</b>	<b>4,479,406</b>	<b>3,135,421</b>	<b>3,295,523</b>
<b>Other Financing Sources (Uses)</b>										
Bonds Issued	—	6,885,000	—	—	—	—	—	—	—	—
Payment to Refunded Bonds Escrow	—	(6,952,658)	—	—	—	—	—	—	—	—
Premium on Bonds Issued	—	256,582	—	—	—	—	—	—	—	—
Disposal of Capital Assets	—	—	—	—	197,145	498	723	1,299	567	—
Insurance Claim Reimbursement	146,453	64,056	3,248	56,856	20,338	147,805	76,690	126,340	153,757	110,951
Transfers In	1,016,068	995,706	1,088,769	962,769	622,875	1,003,692	1,376,391	3,836,922	3,475,660	4,656,596
Transfers Out	(1,016,068)	(995,706)	(1,088,769)	(962,769)	(622,875)	(1,003,692)	(1,376,391)	(3,836,922)	(3,475,660)	(4,656,596)
	146,453	252,980	3,248	56,856	217,483	148,303	77,413	127,639	154,324	110,951
<b>Net Change in Fund Balances</b>	<b>1,235,214</b>	<b>118,067</b>	<b>(673,978)</b>	<b>(109,499)</b>	<b>1,305,242</b>	<b>566,294</b>	<b>1,107,374</b>	<b>4,607,045</b>	<b>3,289,745</b>	<b>3,406,474</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>10.36%</b>	<b>9.60%</b>	<b>9.16%</b>	<b>9.55%</b>	<b>9.59%</b>	<b>8.92%</b>	<b>8.83%</b>	<b>8.07%</b>	<b>4.69%</b>	<b>4.39%</b>

\*Modified Accrual Basis of Accounting

Data Source: Audited Financial Statements

# VILLAGE OF NORTH AURORA, ILLINOIS

## Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years May 31, 2023 (Unaudited)

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Farm Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate
2013	\$ 337,016,726	\$ 58,444,313	\$ 31,023,446	\$ 312,020	\$ 336,302	\$ 427,132,807	\$ 1,281,398,421	0.626450
2014	339,111,156	59,859,375	31,341,315	316,153	244,838	430,872,837	1,292,618,511	0.637707
2015	359,301,370	67,329,121	33,018,080	330,034	248,169	460,226,774	1,380,680,322	0.612857
2016	384,212,041	67,873,407	34,089,473	374,889	275,248	486,825,058	1,460,475,174	0.589215
2017	397,846,748	71,244,763	34,513,524	362,886	288,822	504,256,743	1,512,770,229	0.581146
2018	413,107,645	85,401,844	36,298,576	389,917	303,874	535,501,856	1,606,505,568	0.559132
2019	429,754,775	88,936,953	39,835,901	452,344	320,200	559,300,173	1,677,900,519	0.501637
2020	453,288,800	92,590,660	43,147,035	547,245	337,350	589,911,090	1,769,733,270	0.439470
2021	463,988,138	98,505,800	45,650,907	653,416	350,234	609,148,495	1,827,445,485	0.440453
2022	501,727,292	102,876,666	48,289,849	732,961	370,756	653,997,524	1,961,992,572	0.412923

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value. Tax rates are per \$100 of assessed value and are the "Rate Setting EAV".

Data Source: Office of the County Clerk



# VILLAGE OF NORTH AURORA, ILLINOIS

## Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years May 31, 2023 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Village of Montgomery										
Village of North Aurora	0.505010	0.515680	0.497450	0.478350	0.473600	0.457519	0.448399	0.439470	0.440453	0.412923
General Obligation Library Debt Service	0.121440	0.122027	0.115407	0.110865	0.107546	0.101613	0.053238	—	—	—
Total Direct Tax Rates	0.626450	0.637707	0.612857	0.589215	0.581146	0.559132	0.501637	0.439470	0.440453	0.412923
Overlapping Rates										
Messenger Public Library	0.366550	0.374060	0.360840	0.347020	0.343292	0.333939	0.327280	0.320770	0.321152	0.309554
North Aurora Fire District	1.024067	1.046502	1.016720	0.978261	0.967609	0.954886	0.937369	0.919364	0.916877	0.906258
Kane County	0.462292	0.468360	0.447884	0.420062	0.402498	0.387659	0.373902	0.361798	0.352161	0.332244
Kane County Forest Preserve	0.303868	0.312630	0.294354	0.225322	0.165841	0.160702	0.154854	0.147744	0.143516	0.136742
Aurora Township (1)	0.362063	0.374280	0.247795	0.326488	0.312400	0.312643	0.299419	0.285944	0.188424	0.170924
College District 516	0.580694	0.595432	0.587468	0.560691	0.553304	0.541425	0.537673	0.428645	0.470985	0.465577
Fox Valley Park District	0.627967	0.630680	0.599925	0.558975	0.532249	0.490283	0.491561	0.455740	0.433745	0.419892
West Aurora Schools 129	6.666744	6.857788	6.589755	6.147832	5.988207	5.830096	5.627379	5.439309	5.285709	5.144420
Total Overlapping Tax Rates	10.394245	10.659732	10.144741	9.564651	9.265400	9.011633	8.749437	8.359314	8.112569	7.885611
Total All Rates (Representative)	11.020695	11.297439	10.757598	10.153866	9.846546	9.570765	9.251074	8.798784	8.553022	8.298534

### Notes:

(1) Aurora Township includes Aurora Township and Aurora Township Road and Bridge

The Village is a non-home rule community and as such is subject to the tax cap which limits the increase in the Village's annual property tax levy to 5% or the rate of inflation in the CPI, whichever is lessor. This limitation on the increase is based on last year's actual extension. The tax extension limitation formula allows the Village to "capture" the value of new construction.

Approved debt service levies are not subject to the tax cap; however, general obligation debt backed solely by property taxes cannot be issued unless approved by the voters via referendum.

The Village has also established a number of Special Service Areas within the Village. These areas are for the maintenance of lawns and detention ponds and are not a significant portion of the overall tax bill.

A very small portion of the Village's population belongs in the Kaneland School District or the Batavia School District.

Data Source: Office of the Kane County Clerk

# VILLAGE OF NORTH AURORA, ILLINOIS

## Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago May 31, 2023 (Unaudited)

Taxpayer	Tax Levy Year 2022			Tax Levy Year 2013		
			Percentage of			Percentage of
			Total District			Total District
	Taxable Assessed Value	Rank	Taxable Assessed Value	Taxable Assessed Value	Rank	Taxable Assessed Value
Continental 343 Fund LLC	\$ 11,445,20	1	1.75%			
SVF Orchard North Aurora LLC	10,000,53	2	1.53%			
JVM Randall Highlands LLC	8,772,461	3	1.34%			
MP North Aurora East LLC	7,704,631	4	1.18%			
Prologis LP Liberty Property	7,610,034	5	1.16%			
Dart Container Corp	6,723,619	6	1.03%	\$ 6,095,798	1	1.43%
Summitt Enterprises of Illinois, Ltd.	5,068,753	7	0.78%	3,117,804	4	0.73%
Woodman's Food Market	4,553,213	8	0.70%	5,064,955	2	1.19%
Gerald Realty Holdings	4,247,095	9	0.65%			
Courtyards Village West Apartments	4,012,664	10	0.61%	2,975,789	5	0.70%
Preferred Real Estate LLC				3,839,605	3	0.90%
Target Corporation				2,966,370	6	0.69%
JC Penney Properties				2,436,225	7	0.57%
First Industrial Investment II				1,685,090	8	0.39%
Little Miranda				1,657,704	9	0.39%
Marquette/NextGen Randall Highlands				1,548,371	10	0.36%
Total	<u>70,138,202</u>		<u>10.73%</u>	<u>31,387,711</u>		<u>7.35%</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 Source: Kane County Clerks Office

# VILLAGE OF NORTH AURORA, ILLINOIS

## Property Tax Levies and Collections - Last Ten Tax Levy Years May 31, 2023 (Unaudited)

Levy Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$	2,821,826	\$ 377,214	13.37%	\$ 2,436,618	\$ 2,813,832	99.72%
2014		2,899,425	229,838	7.93%	2,658,804	2,888,642	99.63%
2015		2,977,524	206,837	6.95%	2,730,626	2,937,463	98.65%
2016		3,024,971	65,570	2.17%	2,929,409	2,994,979	99.01%
2017		3,088,135	113,872	3.69%	2,970,308	3,084,180	99.87%
2018		3,158,158	35,475	1.12%	3,118,079	3,153,554	99.85%
2019		2,973,336	145,284	4.89%	2,827,578	2,972,862	99.98%
2020		2,764,393	88,289	3.19%	2,654,494	2,742,783	99.22%
2021		2,854,823	115,099	4.03%	2,729,054	2,844,153	99.63%
2022		2,878,505	113,672	3.95%	1,445,324	1,558,996	54.16%

(1) Levies and collections include property taxes for the Village, Library Debt Service and the distributions for road and bridges that are allocated to the Village. Does not include property taxes for the Village's special service area or TIF distributions.

Data Source: Office of the County Clerk

# VILLAGE OF NORTH AURORA, ILLINOIS

## Total Sales Taxes by Category - Last Ten Calendar Years May 31, 2023 (Unaudited)

Category	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Merchandise	\$ 494,442	457,535	463,033	500,240	500,629	442,666	406,076	382,119	442,653	497,148
Food	1,190,519	1,178,048	1,157,147	1,142,081	1,226,793	1,254,978	1,263,322	1,311,099	1,453,465	1,874,519
Drinking and Eating Places	340,590	367,727	413,909	409,591	426,812	429,548	498,142	425,731	551,423	533,376
Apparel	30,135	57,975	58,354	N/A	N/A	38,447	36,413	30,708	32,103	35,664
Furniture & H.H. & Radio	246,541	246,357	249,324	249,758	225,232	161,290	59,741	54,374	88,867	94,421
Lumber, Building Hardware	65,982	99,887	59,456	72,789	60,878	61,408	113,741	114,873	183,598	240,344
Automobile and Filling Stations	1,863,590	2,040,342	1,975,673	1,906,527	1,885,391	1,944,640	2,097,370	2,103,139	2,689,903	2,765,632
Drugs and Miscellaneous Retail	434,255	505,026	582,353	760,865	833,664	900,451	920,880	974,952	1,586,244	1,682,063
Agriculture and All Others	135,272	130,118	130,883	181,407	226,076	245,757	261,671	902,828	908,258	485,693
Manufacturers	192,288	188,201	198,126	288,261	305,950	258,369	274,604	397,888	388,963	500,870
Totals	4,993,614	5,271,216	5,288,258	5,511,519	5,691,425	5,737,554	5,931,960	6,697,711	8,325,477	8,709,730
Village Direct Sales Tax Base	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

N/A - Not Available

Effective January 1, 2004, the Village implemented a 0.50% non-home rule sales tax applicable to all sales except food, drugs and titled vehicles (summarized

The above numbers are the total sales tax dollars received by the Village before applicable sales tax rebates.

The Village implemented effective July 1, 2020 a 3% recreational cannabis tax and these numbers are included in the above chart.

Data Sources: Village Records and Illinois Department of Revenue SIC Reporting

## VILLAGE OF NORTH AURORA, ILLINOIS

### Direct and Overlapping Sales Tax Rates (1) May 31, 2023 (Unaudited)

Fiscal Year	General Merchandise Village Direct Rate	General Merchandise State and Other Rates	General Merchandise Total Rate Within Village
2014	1.50%	6.00%	7.50%
2015	1.50%	6.00%	7.50%
2016	1.50%	6.00%	7.50%
2017	1.50%	6.00%	7.50%
2018	1.50%	6.00%	7.50%
2019	1.50%	6.00%	7.50%
2020	1.50%	6.00%	7.50%
2021	1.50%	6.00%	7.50%
2022	1.50%	6.00%	7.50%
2023	1.50%	6.00%	7.50%

(1) The rates listed in this table apply to sales of general merchandise. Sales of food not prepared for immediate consumption, drugs and titled vehicles are subject to a different tax rate. This rate is 1.75% for sales of food and 7.00% for sales of titled vehicles.

Data Source: Village and State Records

# VILLAGE OF NORTH AURORA, ILLINOIS

## Ratios of Outstanding Debt by Type - Last Ten Fiscal Years May 31, 2023 (Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Installment Contracts Payable	General Obligation Bonds	Kane County Loan Payable			
2014	\$ 10,525,471	\$ —	\$ 1,190,000	\$ 751,605	\$ 12,467,076	2.52%	\$ 744
2015	10,243,553	—	810,000	654,650	11,708,203	2.37%	699
2016	9,370,768	—	415,000	555,174	10,340,942	1.88%	617
2017	8,457,983	—	5,990,863	452,614	14,901,460	2.72%	854
2018	7,515,198	—	5,623,139	346,362	13,484,699	2.46%	773
2019	6,542,413	—	5,290,415	235,860	12,068,688	2.20%	692
2020	5,539,628	—	4,952,691	120,551	10,612,870	1.93%	609
2021	4,631,843	—	4,604,967	—	9,236,810	1.25%	506
2022	4,109,738	—	4,247,243	—	8,356,981	1.13%	458
2023	3,577,633	101,867	3,874,519	—	7,554,019	1.02%	414

\*See the schedule of Demographic and Economic Information for personal income and population data.

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

Data Source: Village Records

# VILLAGE OF NORTH AURORA, ILLINOIS

## Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years

May 31, 2023 (Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities		Less: Amounts Restricted for Principal Repayment		Percentage of Estimated Actual Taxable Value of Property*		Per Capita**		
	General Obligation Bonds		General Obligation Bonds				Net Total				
2014	\$	10,525,471	\$	1,190,000	\$	381,115	\$	11,334,356	2.65%	\$	676
2015		10,243,553		810,000		386,688		10,666,865	2.48%		636
2016		9,370,768		415,000		386,689		9,399,079	2.04%		561
2017		8,457,983		5,990,863		360,521		14,088,325	2.89%		808
2018		7,515,198		5,623,139		280,510		12,857,827	2.55%		737
2019		6,542,413		5,290,415		306,925		11,525,903	2.15%		661
2020		5,539,628		4,952,691		332,427		10,159,892	1.82%		583
2021		4,631,843		4,604,967		227,802		9,009,008	1.53%		493
2022		4,109,738		4,247,243		231,903		8,125,078	1.33%		445
2023		3,577,633		3,874,519		249,304		7,202,848	1.10%		394

\*See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

\*\*See the Schedule of Demographics and Economic Statistics.

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

Data Source: Village Records

# VILLAGE OF NORTH AURORA, ILLINOIS

## Schedule of Direct and Overlapping Governmental Activities Debt May 31, 2023 (Unaudited)

Governmental Unit	Governmental Activities Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village of North Aurora	\$ 3,679,500	100.00%	\$ 3,679,500
Overlapping Debt			
Kane County	47,683,093	3.75%	1,788,116
Kane County Forest Preserve	110,661,342	3.75%	4,149,800
Fox Valley Park District	17,395,932	17.83%	3,101,695
Batavia Park District	—	4.84%	—
Schools			
School District #101	31,255,008	0.59%	184,405
School District #129	84,352,969	30.59%	25,803,573
School District #302	53,613,878	1.26%	675,535
Community College District #516	34,913,020	8.94%	3,121,224
Total Other Governments	379,875,242		38,824,348
Total Overlapping Bonded Debt	383,554,742		42,503,848

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

Data Source: Kane County Tax Extension Department



VILLAGE OF NORTH AURORA, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years  
May 31, 2023 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Legal Debt Limit	\$ 36,840,205	37,162,782	39,694,559	41,988,661	43,492,144	46,187,035	48,239,640	50,879,832	52,539,058	56,407,286
Total Debt Applicable to Limit	3,110,000	2,710,000	2,290,000	1,850,000	1,385,000	900,000	395,000	—	—	—
Legal Debt Margin	33,730,205	34,452,782	37,404,559	40,138,661	42,107,144	45,287,035	47,844,640	50,879,832	52,539,058	56,407,286
Total Net Debt Applicable to the Limit										
as a Percentage of Debt Limit	8.44%	7.29%	5.77%	4.41%	3.18%	1.95%	0.82%	—%	—%	—%

Legal Debt Margin Calculation for Fiscal Year 2023	
Assessed Value	\$ 653,997,524
Bonded Debt Limit - 8.625% of	
Assessed Value	56,407,286
Amount of Debt Applicable to Limit	—
Legal Debt Margin	56,407,286

Data Source: Village Records

# VILLAGE OF NORTH AURORA, ILLINOIS

## Pledged Revenue Coverage - Last Ten Fiscal Years May 31, 2023 (Unaudited)

Fiscal Year	General Obligation Alternate Revenue Source Waterworks Bonds of 2017										General Obligation Alternate Revenue Source Refunding Bonds of 2014									
	Water										Sales Tax,									
	Charges and Others (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Interest	Coverage	Beginning Fund Balance	Use Tax And Other	Total Available Funds	Less Non-Debt Expenditures	Net Available Funds	Debt Service Principal	Interest	Coverage						
2014	\$ 2,643,669	\$ 1,522,880	\$ 1,120,789	\$ 365,000	\$ 57,535	2.65	\$ 285,942	\$ 689,299	\$ 975,241	\$ —	\$ 975,241	\$ 345,000	\$ 343,206	1.42						
2015	2,396,868	1,470,951	925,917	380,000	44,030	2.18	286,470	691,188	977,658	—	977,658	360,000	203,289	1.74						
2016	2,679,453	1,444,706	1,234,747	395,000	29,970	2.91	288,413	596,247	884,660	—	884,660	430,000	192,600	1.42						
2017	2,386,804	1,809,580	577,224	415,000	15,355	1.34	261,456	626,639	888,095	—	888,095	450,000	176,500	1.42						
2018	2,689,403	1,570,619	1,118,784	355,000	138,302	2.27	261,060	626,744	887,804	—	887,804	455,000	157,500	1.45						
2019	2,911,951	1,811,192	1,100,759	320,000	171,820	2.24	264,799	623,400	888,199	—	888,199	465,000	158,875	1.42						
2020	2,931,536	1,849,240	1,082,296	325,000	166,226	2.20	272,121	624,100	896,221	—	896,221	475,000	149,100	1.44						
2021	3,086,274	1,603,396	1,482,878	335,000	156,475	3.02	279,635	632,355	911,990	—	911,990	490,000	139,600	1.45						
2022	3,247,093	1,850,869	1,396,224	345,000	146,425	2.84	281,885	635,168	917,053	—	917,053	505,000	129,800	1.44						
2023	3,583,470	2,245,290	1,338,180	360,000	136,075	2.70	281,778	646,139	927,917	—	927,917	515,000	119,700	1.46						

- (1) Water Charges and Other includes earnings but not tap fees.  
(2) Operating expenses do not include interest or depreciation.

Data Source: Village Records

# VILLAGE OF NORTH AURORA, ILLINOIS

## Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago May 31, 2023 (Unaudited)

Employer	2023			2014		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
West Aurora School District	380	1	2.08%	230	3	1.37%
Aurora Packing Company, Inc.	283	2	1.55%	250	2	1.49%
Asbury Gardens	250	3	1.37%			
Oberweis Dairy, Inc.	225	4	1.23%	225	4	1.34%
Woodman's Food Market	223	5	1.22%	195	6	1.16%
Dart Container Corporation	208	6	1.14%	375	1	2.24%
Pentair Aurora Pump	185	7	1.01%	210	5	1.25%
Catalyst Acoustics Group	160	8	0.88%			
Euclid Beverage Ltd.	155	9	0.85%	140	7	0.84%
Target	137	10	0.75%	135	9	0.81%
Daco, Inc.				135	8	0.81%
Belson Outdoors, Inc.				99	10	0.59%
Total	<u>2,206</u>		<u>12.08%</u>	<u>1,994</u>		<u>11.90%</u>

Note: Illinois Manufacturers Directory, Illinois Services Directory, Kane County Economic Commission Listing, phone survey and Village business registration records.

## VILLAGE OF NORTH AURORA, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years May 31, 2023 (Unaudited)

Calendar Year	(1) Population	Personal Income	(2) Per Capita Personal Income	(3) Unemployment Rate
2014	16,760	\$ 494,817,760	\$ 29,524	8.90%
2015	16,760	494,817,760	29,524	6.80%
2016	16,760	548,625,042	32,734	5.80%
2017	17,441	548,625,042	31,456	5.90%
2018	17,441	548,625,042	31,456	5.30%
2019	17,441	548,625,042	31,456	4.90%
2020	17,441	548,625,042	31,456	4.40%
2021	18,261	739,333,107	40,487	5.30%
2022	18,261	739,333,107	40,487	5.10%
2023	18,261	739,333,107	40,487	5.10%

(1) Population of 16,760 based on 2010 census.

(1) Population of 17,441 based on 2016 partial, special census.

(1) Population of 18,261 based on 2020 census.

(2) Per Capita Personal Income for 2021 based on 2015-2019 Census Estimates in 2019 dollars.

(3) Unemployment rate based on average unemployment rate for Kane County for preceding calendar year for 2012 through 2020. Unemployment rate for 2021 through 2023 are based on current calendar year.

# VILLAGE OF NORTH AURORA, ILLINOIS

## Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years May 31, 2023 (Unaudited)

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Admin/Finance	7.67	7.67	7.67	8.36	8.36	9.20	9.20	9.20	9.20	9.70
Community Development	4.17	4.17	4.17	4.25	4.25	4.25	4.25	4.25	5.00	5.00
Public Safety										
Police										
Sworn Officers	28.00	28.00	29.00	29.00	29.00	29.00	30.00	32.00	32.00	32.00
Civilians/Other	3.35	3.35	3.35	3.35	3.35	3.65	3.65	3.65	3.65	3.95
Highways and Streets										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	4.00
Street Maintenance	6.45	6.45	7.45	6.45	7.45	7.45	8.45	8.45	9.45	9.45
Water Operations/Billing	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00
Totals	54.64	54.64	57.64	57.41	58.41	59.55	62.55	64.55	67.30	69.10

Data Source: Village Finance Office

# VILLAGE OF NORTH AURORA, ILLINOIS

## Operating Indicators by Function/Program - Last Ten Fiscal Years May 31, 2023 (Unaudited)

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Community Development										
New Home Permits	27	21	332	13	30	34	63	93	116	330
New Commercial Permits	24	13	21	39	15	10	16	10	6	7
Misc Permits	1,464	2,260	535	591	535	1,080	775	876	947	850
Police										
Physical Arrests	246	235	248	216	275	354	324	262	390	460
Ordinance Violations	107	124	105	122	273	317	632	428	339	492
Traffic Violations	5,565	4,597	2,258	3,731	5,028	2,002	1,660	869	901	1,356
Public Works										
Street Resurfacing (Miles)	0.36	2.19	—	—	—	—	—	—	—	—
Street Reconstruction (Miles)	1.62	0.97	1.70	1.60	4.20	2.90	3.51	1.80	2.61	5.08
Water and Sewer										
New Connections	185	30	140	15	70	53	59	64	124	60
Water Mains Breaks	16	12	8	7	8	5	4	15	8	3
Average Daily Consumption	1,852,400	1,739,000	1,770,000	1,770,547	1,833,600	1,892,064	1,869,000	1,966,939	1,914,740	1,850,000
Peak Daily Consumption	3,266,000	3,224,000	2,882,000	3,498,000	3,200,000	2,803,000	2,767,000	2,950,000	2,900,000	3,242,000

Data Source: Various Village Departments

# VILLAGE OF NORTH AURORA, ILLINOIS

## Capital Asset Statistic by Function/Program - Last Ten Calendar Years May 31, 2023 (Unaudited)

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area Patrols	3	3	3	3	3	3	3	3	3	3
Patrol Units	17	17	18	18	18	18	19	21	21	22
Highways and Streets										
Streets (Miles)	76	77	77	77	77	77	72	77	78	78
Streetlights	849	849	849	849	849	849	977	977	998	998
Traffic Signals	8	8	8	8	8	8	8	8	8	8
Water										
Water Mains (Miles)	92	94	94	95	95	95	111	111	113	113
Fire Hydrants	1,150	1,150	1,200	1,250	1,270	1,270	1,470	1,470	1,490	1,490
Storage Capacity	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Data Source: Various Village Departments