



CITY OF AURORA, OHIO

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023**



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Columbus, Ohio 43215
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800-282-0370

Members of City Council
City of Aurora
130 South Chillicothe Road
Aurora, Ohio 44202

We have reviewed the *Independent Auditor's Report* of the City of Aurora, Portage County, prepared by Zupka & Associates, for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Aurora is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

September 10, 2024

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CITY OF AURORA, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

PREPARED BY:

FINANCE DEPARTMENT
TIMOTHY CLYMER, FINANCE DIRECTOR

*129 W. PIONEER TRAIL
AURORA, OH 44202*

INTRODUCTORY SECTION

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CITY OF AURORA, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

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June 28, 2024

To the Honorable Mayor Ann Womer Benjamin, Members of City Council, and Citizens of the City of Aurora:

The Annual Comprehensive Financial Report (ACFR) of the City of Aurora, Ohio (City), for the fiscal year ended December 31, 2023, is submitted herewith. The report has a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by James G. Zupka, CPA, Inc. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Department of Finance is responsible for management's representation concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft, or misuse and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits require estimates and judgements by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

Profile of the Government

The City's initial beginnings date back to 1799 when the family of Ebenezer Sheldon settled in the Western Reserve region. The settlement grew into a township, village, and on March 20, 1971, became organized as a municipal corporation under the laws of the State of Ohio. The City established a charter on November 3, 1992. The City covers 24.07 square miles, located approximately thirty minutes southeast of the City of Cleveland, with a population of 17,717.

As required by GAAP, the accompanying financial statements include all the organizations, activities and functions in which the City exercises financial accountability. The functions include: public safety, community environment, recreation, streets, water & sewer, and general government

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system. The Council is required to hold public meetings on the proposed budget and the City is required to propose the budget no later than December 31, the close of the City's fiscal year.

The appropriated budget is prepared by fund (e.g., General Fund) and department (e.g., Police) in the General Fund, and at the fund level for all other funds. The City Council may pass supplemental appropriations at any time by ordinance. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The General Fund is presented in the required supplementary section, beginning on page 109. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 111.

Local Economy

As of December 2023, the unemployment rate in Portage County was 3.2%, which was below the national rate of 3.5% and below the average Ohio rate of 3.1%. Aurora's income tax base is driven by light industry, as eight of the top-10 income taxpayers in 2023 were light industry. Aurora's property tax base is well-diversified, with increasing growth in the residential sector as shown in Table 21. Reinvestment in Aurora remained strong in 2023. The City's Department of Planning, Zoning and Building reviewed and inspected housing and commercial construction projects valued at more than \$60.3 million.

Economic development activity remained steady and the City continued its proactive business attraction programs in order to attract new businesses to the City. Some 2023 projects of note include:

- The approval of six Community Reinvestment Area (CRA) property tax abatements for expansions/renovations at existing businesses in the city and the construction of four new buildings in the city, resulting in the construction of an additional 179,000 square feet of commercial/industrial space in the city at a cost of approx. \$28.2 million.
- The completion of over \$21.1 million in new commercial and industrial construction in the City of Aurora.

Financial Rating

The City has continued to successfully retain a Triple-A financial rating from Fitch Ratings. This is the highest rating available, and reaffirms that the City takes its fiscal responsibilities seriously. It also means the City can expect from the lowest possible interest rates in the marketplace at any given time for future bond sales.

Major Initiatives

The 2024 budget is aggressive in addressing capital and infrastructure needs. We anticipate the expense of over \$4.6 million towards the acquisition of property for park improvements, the first phase of a hike/bike trail construction for \$2 million; road paving improvements in excess of \$1.7 million; \$2.5 million in floodplain mitigation expenses with the assistance of a FEMA grant; and park improvements in excess of \$1 million, in addition to a variety of other significant investments.

Long-Term Planning

The City of Aurora's Master Plan, first adopted in 1997 – and updated and re-adopted in 2023 – serves as the community's vision for its future, and comprehensively addresses a wide range of goals and considerations within the areas of land use, housing, community facilities and appearance, economic development, transportation and infrastructure, and implementation. The Master Plan's ultimate goal is to provide a long-range framework for future land use decisions and ensure that future development/redevelopment are consistent with development goals.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awards the Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both GAAP and applicable legal requirements. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Aurora for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2022. We believe that our current annual comprehensive financial report meets the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for a certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the Department of Finance. We wish to express our appreciation to everyone who contributed to its preparation.

Respectfully submitted,



Timothy Clymer, CPA, MBA
Finance Director



CITY OF AURORA, OHIO
LIST OF ELECTED AND APPOINTED OFFICIALS
AS OF DECEMBER 31, 2023

Elected Officials

Mayor	Ann Womer Benjamin
City Council:	
President	George Horvat
At-Large	John Kudley, Jr.
At-Large	Peter French
At-Large	Scott Wolf
1 st Ward	Brad Duguay
2 nd Ward	Dennis Kovach
3 rd Ward	Reva Barner
4 th Ward	George Horvat
5 th Ward	Sara Grdina Gilmore
6 th Ward	Harold Hatridge
Clerk of Council	Marie Lawrie

Appointed Officials

Chief of Staff/Director of Personnel	Karen Pope
Executive Assistant to the Mayor	Kris Allen
Planning, Zoning & Building Division Director	Denise Januska
Finance Director	Timothy Clymer
Fire Chief	Matthew McBirney
Law Director	Dean DePiero
Parks & Recreation Director	Laura Holman
Police Chief	Brian Byard
Director of Public Services	Harry Stark



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Aurora
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

City of Aurora
Portage County
130 S. Chillicothe Road
Aurora, Ohio 44202

To the Members of City Council:

Report on the Financial Statements

Opinions

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 City of Aurora, Portage County, Ohio, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City'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 City of Aurora as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 City, 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 City'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 GAAS and *Government 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 GAAS 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 City'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 City'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 and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, 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 City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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, the combining and individual nonmajor fund financial statements and 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 June 28, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 City'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 City's internal control over financial reporting and compliance.



Zupka & Associates
Certified Public Accountants

June 28, 2024

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CITY OF AURORA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

The management's discussion and analysis of the City of Aurora's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- The total net position of the City increased \$13,779,609. Net position of governmental activities increased \$11,324,402 or 10.06% from 2022's net position. Net position of business-type activities increased \$2,455,207 or 3.97% from 2022's net position.
- General revenues accounted for \$31,016,239 or 80.03% of total governmental activities revenue. Program specific revenues accounted for \$7,740,651 or 19.97% of total governmental activities revenue.
- The City had \$27,267,186 in expenses related to governmental activities; \$7,740,651 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$19,526,535 were offset by general revenues (primarily property taxes, municipal income taxes, and unrestricted grants and entitlements) of \$31,016,239.
- The City's major governmental funds are the general fund and the capital improvements fund. The general fund had revenues and other financing sources of \$28,489,038 and expenditures and other financing uses of \$28,065,843 during 2023. The net increase in fund balance for the general fund was \$423,195 or 2.65%.
- The capital improvements fund had revenues and other financing sources of \$5,150,302 and expenditures of \$3,178,717 during 2023. The net increase in the fund balance for the capital improvements fund was \$1,971,585 or 40.13%. The increase was primarily due to the transfers from the general fund exceeding the capital related expenditures for 2023.
- Business-type activities include operations of the City's water, sewer, and cemetery/perpetual care enterprise funds. The net position of the business-type activities totaled \$64,251,837 at December 31, 2023. General revenues accounted for \$48,378 or 0.46% of total business-type activities revenue, while program specific revenues accounted for \$10,534,270 or 99.54% of total business-type activities revenue.

Using the Basic Financial Statements (BFS)

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The City's basic financial statements are comprised of three components: 1) City-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City, the general fund and the capital improvements fund are reported as major governmental funds. The water fund and the sewer fund are both reported as major enterprise funds.

CITY OF AURORA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did the City do financially during 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. The change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

Governmental activities - Most of the City's programs and services are reported here including police, fire, street maintenance, parks and recreation and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues, including federal and State grants and other shared revenues.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, and cemetery/perpetual care operations are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund and the capital improvements fund. The City's major enterprise funds are the water fund and the sewer fund.

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 on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the 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, the 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.

CITY OF AURORA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund and the capital improvements fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

Proprietary Funds

The City maintains proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water operations, sewer operations and cemetery/perpetual care operations. The City reports the water fund and the sewer fund as major enterprise funds. These major funds are presented separately in the proprietary fund financial statements. The cemetery/perpetual care fund is considered a nonmajor fund and is combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Custodial funds are the City's only fiduciary fund type.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's net pension and OPEB liabilities/assets.

CITY OF AURORA, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole. The table below provides a summary of the City's net position at December 31, 2023 and December 31, 2022.

	Net Position					
	Governmental Activities 2023	Governmental Activities 2022	Business-type Activities 2023	Business-type Activities 2022	Total 2023	Total 2022
<u>Assets</u>						
Current and other assets	\$47,180,729	\$ 43,714,618	\$19,938,677	\$ 17,940,893	\$ 67,119,406	\$ 61,655,511
Capital assets, net	<u>108,077,907</u>	<u>100,883,634</u>	<u>54,490,144</u>	<u>52,173,321</u>	<u>162,568,051</u>	<u>153,056,955</u>
Total assets	<u>155,258,636</u>	<u>144,598,252</u>	<u>74,428,821</u>	<u>70,114,214</u>	<u>229,687,457</u>	<u>214,712,466</u>
<u>Deferred Outflows of Resources</u>						
Unamortized deferred charges	57,367	72,013	-	-	57,367	72,013
Pension	9,496,965	4,899,342	936,686	321,978	10,433,651	5,221,320
OPEB	<u>1,564,455</u>	<u>1,165,848</u>	<u>140,204</u>	<u>13,437</u>	<u>1,704,659</u>	<u>1,179,285</u>
Total deferred outflows of resources	<u>11,118,787</u>	<u>6,137,203</u>	<u>1,076,890</u>	<u>335,415</u>	<u>12,195,677</u>	<u>6,472,618</u>
<u>Liabilities</u>						
Current and other liabilities	4,649,955	5,207,531	1,518,492	1,000,449	6,168,447	6,207,980
Long-term liabilities outstanding:						
Due within one year	562,134	738,377	42,679	53,178	604,813	791,555
Net pension liability	25,831,194	13,724,992	2,092,233	581,041	27,923,427	14,306,033
Net OPEB liability	1,502,411	1,986,304	45,714	-	1,548,125	1,986,304
Other amounts	<u>2,725,030</u>	<u>3,238,144</u>	<u>6,678,534</u>	<u>5,862,257</u>	<u>9,403,564</u>	<u>9,100,401</u>
Total liabilities	<u>35,270,724</u>	<u>24,895,348</u>	<u>10,377,652</u>	<u>7,496,925</u>	<u>45,648,376</u>	<u>32,392,273</u>
<u>Deferred Inflows of Resources</u>						
Property taxes	4,348,261	4,228,868	-	-	4,348,261	4,228,868
Pension	907,141	6,803,848	7,810	741,762	914,951	7,545,610
OPEB	1,475,639	1,698,372	16,153	234,912	1,491,792	1,933,284
Leases	<u>442,854</u>	<u>500,617</u>	<u>852,259</u>	<u>179,400</u>	<u>1,295,113</u>	<u>680,017</u>
Total deferred inflows of resources	<u>7,173,895</u>	<u>13,231,705</u>	<u>876,222</u>	<u>1,156,074</u>	<u>8,050,117</u>	<u>14,387,779</u>
<u>Net Position</u>						
Net investment in capital assets	106,167,253	98,143,072	47,631,540	45,835,807	153,798,793	143,978,879
Restricted	3,727,154	3,627,547	42,865	-	3,770,019	3,627,547
Unrestricted	<u>14,038,397</u>	<u>10,837,783</u>	<u>16,577,432</u>	<u>15,960,823</u>	<u>30,615,829</u>	<u>26,798,606</u>
Total net position	<u>\$ 123,932,804</u>	<u>\$ 112,608,402</u>	<u>\$ 64,251,837</u>	<u>\$ 61,796,630</u>	<u>\$ 188,184,641</u>	<u>\$ 174,405,032</u>

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension asset.

CITY OF AURORA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability/asset or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability/asset and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2023, the City's governmental activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$123,932,804.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At year-end, capital assets represented 69.61% of total assets for governmental activities. Capital assets include land, easements, right of ways, land improvements, buildings and improvements, equipment, infrastructure, and construction in progress. The City's net investment in capital assets at December 31, 2023 was \$106,167,253 for governmental activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

CITY OF AURORA, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

A portion of the City's net position for governmental activities, \$3,727,154, represents resources that are subject to external restriction on how they may be used. In the governmental activities, the remaining balance of unrestricted net position is \$14,038,397.

The following tables show the changes in net position for 2023 and 2022.

	Change in Net Position					
	Governmental	Governmental	Business-type	Business-type	2023	2022
	Activities	Activities	Activities	Activities	Total	Total
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>Total</u>	<u>Total</u>
Revenues:						
Program revenues:						
Charges for services	\$ 1,349,342	\$ 1,213,945	\$ 7,933,825	\$ 7,784,121	\$ 9,283,167	\$ 8,998,066
Operating grants and contributions	1,389,971	1,670,815	-	-	1,389,971	1,670,815
Capital grants and contributions	<u>5,001,338</u>	<u>213,805</u>	<u>2,600,445</u>	<u>1,057,755</u>	<u>7,601,783</u>	<u>1,271,560</u>
Total program revenues	<u>7,740,651</u>	<u>3,098,565</u>	<u>10,534,270</u>	<u>8,841,876</u>	<u>18,274,921</u>	<u>11,940,441</u>
General revenues:						
Property taxes, other local taxes and permissive taxes	4,465,513	4,418,191	-	-	4,465,513	4,418,191
Income taxes	23,632,721	22,506,179	-	-	23,632,721	22,506,179
Grants and entitlements	805,859	821,182	-	-	805,859	821,182
Investment earnings	931,543	313,876	11,498	6,692	943,041	320,568
Change in fair value of investments	841,172	(1,623,849)	-	-	841,172	(1,623,849)
Miscellaneous	<u>339,431</u>	<u>414,922</u>	<u>36,880</u>	<u>18,104</u>	<u>376,311</u>	<u>433,026</u>
Total general revenues	<u>31,016,239</u>	<u>26,850,501</u>	<u>48,378</u>	<u>24,796</u>	<u>31,064,617</u>	<u>26,875,297</u>
Total revenues	<u>38,756,890</u>	<u>29,949,066</u>	<u>10,582,648</u>	<u>8,866,672</u>	<u>49,339,538</u>	<u>38,815,738</u>
Program expenses:						
General government	3,705,275	2,884,841	-	-	3,705,275	2,884,841
Security of persons and property	13,309,667	10,649,073	-	-	13,309,667	10,649,073
Transportation	5,560,931	4,227,558	-	-	5,560,931	4,227,558
Community environment	1,664,878	1,181,787	-	-	1,664,878	1,181,787
Leisure time activity	2,954,516	2,185,423	-	-	2,954,516	2,185,423
Interest and fiscal charges	71,919	91,869	-	-	71,919	91,869
Water	-	-	3,699,558	3,375,980	3,699,558	3,375,980
Sewer	-	-	4,503,523	3,309,245	4,503,523	3,309,245
Other business-type activities	-	-	<u>89,662</u>	<u>72,819</u>	<u>89,662</u>	<u>72,819</u>
Total program expenses	<u>27,267,186</u>	<u>21,220,551</u>	<u>8,292,743</u>	<u>6,758,044</u>	<u>35,559,929</u>	<u>27,978,595</u>
Change in net position before transfers	11,489,704	8,728,515	2,289,905	2,108,628	13,779,609	10,837,143
Transfers	<u>(165,302)</u>	<u>(220,892)</u>	<u>165,302</u>	<u>220,892</u>	-	-
Change in net position	11,324,402	8,507,623	2,455,207	2,329,520	13,779,609	10,837,143
Net position at beginning of year	<u>112,608,402</u>	<u>104,100,779</u>	<u>61,796,630</u>	<u>59,467,110</u>	<u>174,405,032</u>	<u>163,567,889</u>
Net position at end of year	<u>\$ 123,932,804</u>	<u>\$ 112,608,402</u>	<u>\$ 64,251,837</u>	<u>\$ 61,796,630</u>	<u>\$ 188,184,641</u>	<u>\$ 174,405,032</u>

CITY OF AURORA, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

Governmental Activities

Governmental activities net position increased \$11,324,402 in 2023. The two primary general revenue sources of governmental activities are property taxes and municipal income taxes.

Operating grants and contributions decreased in 2023 due to the additional funding received from the CARES Act during 2022 that was not received during 2023. Capital grants and contributions increased in 2023 due to the City receiving an increase in capital contributions from outside sources during 2023.

Expenses of the governmental activities increased \$6,046,635 or 28.49%. This increase is primarily the result of an increase in pension expense. This increase was the result of an increase in expenses incurred at the pension system level for Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire (OP&F) Pension Fund due to a decrease in net investment income on investments compared to previous years.

Security of persons and property, which primarily supports the operations of the police and fire departments, accounted for \$13,309,667 of the total expenses of the City. These expenses were partially funded by \$11,874, \$161,507, and \$55,092 in direct charges to users of the services, operating grants and contributions, and capital grants and contributions, respectively.

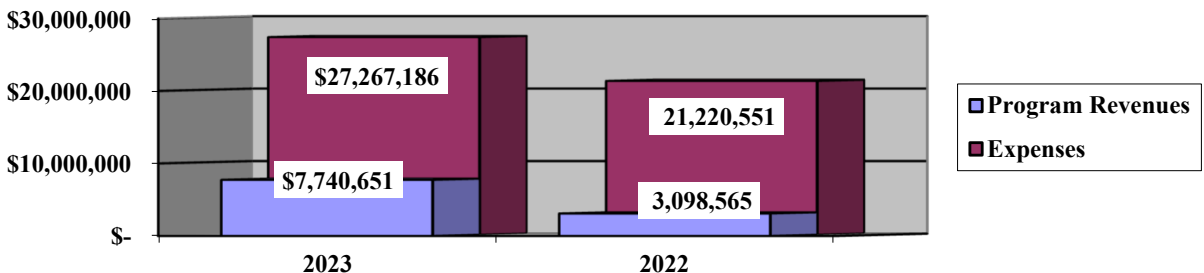
Transportation expenses were also significant, totaling \$5,560,931. These expenses were funded by \$16,800, \$1,187,430, and \$4,946,246 in direct charges to users of the services, operating grants and contributions, and capital grants and contributions, respectively.

The State and Federal government contributed to the City a total of \$1,389,971 in operating grants and contributions and \$5,001,338 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$1,187,430 was subsidized for transportation programs, \$161,507 was subsidized for security of persons and property programs, \$1,638 was subsidized for general government programs, \$24,900 was subsidized for community environment and \$14,496 was subsidized for leisure time activity programs. Of the total capital grants and contributions, \$4,946,246 was subsidized for transportation programs and \$55,092 was subsidized for security of persons and property programs.

General revenues totaled \$31,016,239 and amounted to 80.03% of total governmental activities revenue. These revenues primarily consist of property and income tax revenue of \$27,432,902. The other primary source of general revenues is grants and entitlements not restricted to specific programs, totaling \$805,859. Income tax revenues increased during 2023 primarily due to general economic growth. Investment earnings and the change in fair value of investment experienced significant increases during the 2023 as a result of the federal reserve increasing interest rates to combat inflation.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following shows, for governmental activities, the total cost of services and the net cost of services for 2023 and 2022. That is, it identifies the cost of these services supported by general revenues (such as tax revenue and unrestricted State grants and entitlements). The chart and table that follow illustrate the City’s dependence upon general revenues, as program revenues are not sufficient to cover total governmental expenses.

Governmental Activities - Program Revenues vs. Total Expenses



CITY OF AURORA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

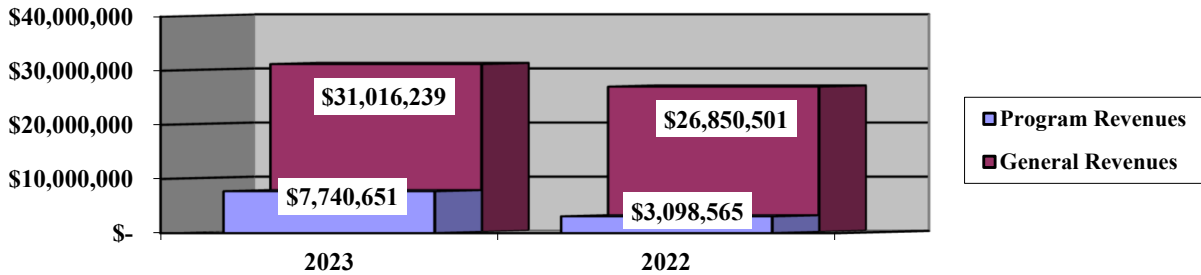
Governmental Activities

	Total Cost of Services <u>2023</u>	Net Cost of Services <u>2023</u>	Total Cost of Services <u>2022</u>	Net Cost of Services <u>2022</u>
Program expenses:				
General government	\$ 3,705,275	\$ 2,894,441	\$ 2,884,841	\$ 2,144,991
Security of persons and property	13,309,667	13,081,194	10,649,073	10,518,499
Transportation	5,560,931	(589,545)	4,227,558	2,461,348
Community environment	1,664,878	1,639,978	1,181,787	1,181,787
Leisure time activity	2,954,516	2,428,548	2,185,423	1,723,492
Interest and fiscal charges	<u>71,919</u>	<u>71,919</u>	<u>91,869</u>	<u>91,869</u>
Total	<u>\$ 27,267,186</u>	<u>\$ 19,526,535</u>	<u>\$ 21,220,551</u>	<u>\$ 18,121,986</u>

The dependence upon general revenues for governmental activities is apparent, with 71.61% of expenses supported through taxes and other general revenues.

The chart below illustrates the City's program revenues versus general revenues for 2023 and 2022.

Governmental Activities - General and Program Revenues



Business-Type Activities

Business-type activities consist of water, sewer, and cemetery/perpetual care operations. These programs had revenues of \$10,534,270, expenses of \$8,292,743, general revenues of \$48,378 and transfers in of \$165,302 during 2023.

The water operations had program revenues - charges for services of \$4,371,487, program expenses of \$3,699,558, general revenues of \$25,468, nonoperating expenses of \$148,627 from contributed capital to governmental activities shown as transfers on that statement of activities. The water fund also had capital contributions from the governmental activities of \$3,200 shown as transfers on the statement of activities, and capital contributions from outside sources of \$903,801 that is included in capital grants and contributions on program revenues. This resulted in an increase in net position for the year of \$1,455,771.

The sewer operations had program revenues - charges for services of \$3,492,482, general revenues of \$22,836, program expenses of \$4,503,523, transfers in of \$280,000, nonoperating expenses of \$36,367 from contributed capital to governmental activities shown as transfers on that statement of activities. The sewer fund also had capital contributions from the governmental activities of \$52,096 shown as transfers on the statement of activities, and capital contributions from outside sources of \$1,696,644 that is included in capital grants and contributions on program revenues. This resulted in an increase in net position for the year of \$1,004,168.

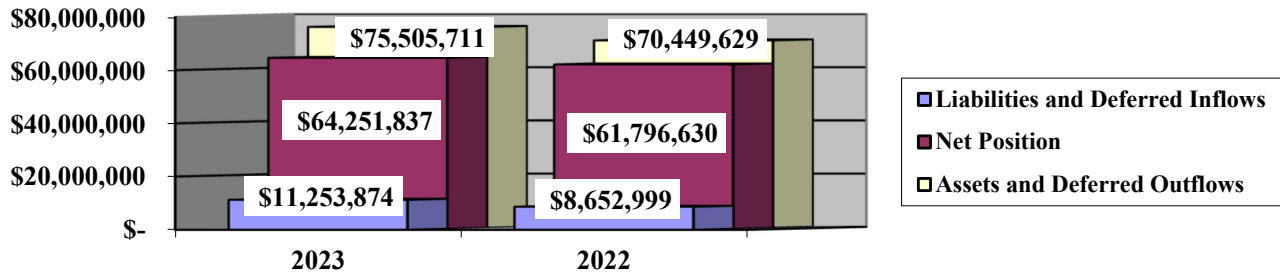
CITY OF AURORA, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

The other business-type activities had program revenues - charges for services of \$69,856, general revenues of \$74, program expenses of \$89,662 and transfers in of \$15,000. This resulted in a decrease in net position for the year of \$4,732. Management assesses the performance of each of these activities to ensure that they are running efficiently.

The chart below illustrates the City’s business-type activities assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position at December 31, 2023 and December 31, 2022.

Business-type Activities



Financial Analysis of the Government’s Funds

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

Governmental Funds

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements.

The City’s governmental funds reported a combined fund balance of \$32,123,785, which is \$4,957,689 greater than last year’s total of \$27,166,096. The table below indicates the fund balances and the total change in fund balances as of December 31, 2023 and December 31, 2022 for all major and nonmajor governmental funds.

	Fund Balances <u>December 31, 2023</u>	Fund Balances <u>December 31, 2022</u>	Increase <u>(Decrease)</u>	Percentage <u>Change</u>
Major funds:				
General fund	\$16,374,239	\$ 15,951,044	\$ 423,195	2.65 %
Capital improvements fund	6,884,830	4,913,245	1,971,585	40.13 %
Nonmajor governmental funds	8,864,716	6,301,807	2,562,909	40.67 %
Total	<u>\$ 32,123,785</u>	<u>\$ 27,166,096</u>	<u>\$ 4,957,689</u>	18.25 %

General Fund

The City’s general fund balance increased \$423,195. The table that follows assists in illustrating the revenues of the general fund for 2023 and 2022.

CITY OF AURORA, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

	<u>2023</u>	<u>2022</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>	<u>Change</u>
<u>Revenues</u>			
Taxes	\$25,252,001	\$23,109,875	9.27 %
Intergovernmental	569,707	553,172	2.99 %
Charges for services	159,293	110,488	44.17 %
Licenses and permits	481,700	476,119	1.17 %
Fines and forfeitures	51,388	45,002	14.19 %
Investment income	822,786	313,876	162.14 %
Change in fair value of investments	841,172	(1,556,573)	154.04 %
Rental income	21,790	20,610	5.73 %
All other revenues	<u>270,007</u>	<u>312,266</u>	(13.53) %
Total	<u>\$ 28,469,844</u>	<u>\$ 23,384,835</u>	21.74 %

Overall revenues of the general fund increased \$5,085,009 or 21.74%. Taxes increased \$2,142,126 or 9.27% during 2023. This increase was primarily due to an increase in income tax revenues which could be attributed to general economic growth during 2023. Investment income and the change in fair value of investment experienced significant increases during the 2023 as a result of the federal reserve increasing interest rates to combat inflation. All other revenue classifications remained comparable to 2022.

The table that follows assists in illustrating the expenditures of the general fund for 2023 and 2022.

	<u>2023</u>	<u>2022</u>	<u>Percentage</u>
	<u>Amount</u>	<u>Amount</u>	<u>Change</u>
<u>Expenditures</u>			
General government	\$ 3,064,422	\$ 2,830,777	8.25 %
Security of persons and property	9,923,352	8,970,002	10.63 %
Transportation	2,761,746	2,467,504	11.92 %
Community environment	1,367,240	1,363,338	0.29 %
Capital outlay	63,410	59,497	6.58 %
Debt service	<u>187,673</u>	<u>188,362</u>	(0.37) %
Total	<u>\$ 17,367,843</u>	<u>\$ 15,879,480</u>	9.37 %

Overall expenditures of the general fund increased \$1,488,363 or 9.37%. Security of persons and property increased during 2023 primarily as a result of an increase in personnel related expenditures for the police and fire departments. All other expenditure classifications remained comparable to 2022.

Capital Improvements Fund

The capital improvements fund had revenues and other financing sources of \$5,150,302 and expenditures of \$3,178,717 during 2023. The net increase in the fund balance for the capital improvements fund was \$1,971,585 or 40.13%. The increase was primarily due to the transfers from the general fund exceeding the capital related expenditures for 2023.

Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the County Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

CITY OF AURORA, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023 (UNAUDITED)

Budgetary information is presented for the general fund and major special revenue funds. In the general fund, the original and final budgeted revenues and other financing sources were \$20,990,034. Actual revenues and other financing sources of \$27,033,319 were \$6,043,285 greater than final budgeted revenues and other financing sources. This increase was primarily due to an increase in actual income tax receipts compared to what was budgeted. This increase could be attributed to general economic growth during 2023.

The final budgeted expenditures and other financing uses were \$30,057,932, which were \$8,701,150 greater than original budgeted expenditures and other financing uses of \$21,356,782. The increase in final budgeted amounts was primarily due to City Council authorizing the transfer of \$8,056,000 out of the general fund to various funds at the end of 2023. Actual expenditures and other financing uses of \$29,194,897 were \$863,035 less than final budgeted expenditures and other financing uses. The decrease in actual expenditures and other financing uses compared to final budgeted expenditures and other financing uses was primarily due to the City's conservative budgeting.

Capital Assets and Debt Administration

Capital Assets

At the end of 2023, the City had \$162,568,051 (net of accumulated depreciation) invested in land, easements, right of ways, land improvements, buildings and improvements, equipment, infrastructure, and construction in progress. Of this total, \$108,077,907 is reported in governmental activities and \$54,490,144 is reported in business-type activities. See Note 7 in the basic financial statements for additional capital assets disclosure.

The following table shows December 31, 2023 balances compared to December 31, 2022.

Capital Assets at December 31 (Net of Accumulated Depreciation)

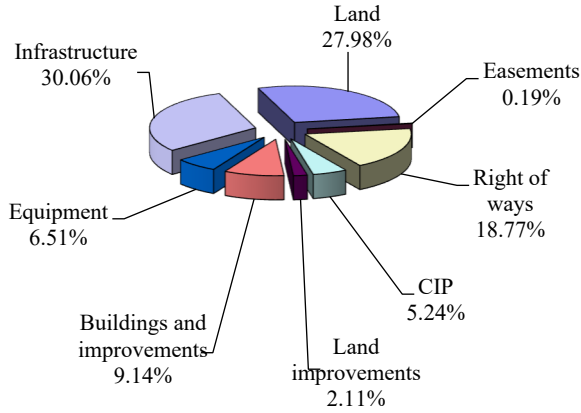
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 30,237,573	\$ 29,535,863	\$ 611,521	\$ 611,521	\$ 30,849,094	\$ 30,147,384
Easements	203,884	203,884	71,710	71,710	275,594	275,594
Right of ways	20,290,277	17,807,777	-	-	20,290,277	17,807,777
Construction in progress	5,668,010	5,112,129	9,925,305	9,293,931	15,593,315	14,406,060
Land improvements	3,926,329	3,783,570	646,545	646,545	4,572,874	4,430,115
Buildings and improvements	18,000,294	16,490,684	17,845,050	17,670,856	35,845,344	34,161,540
Equipment	14,202,238	13,485,253	3,526,115	3,168,780	17,728,353	16,654,033
Infrastructure	44,586,217	42,158,389	53,570,598	50,771,433	98,156,815	92,929,822
Less: accumulated depreciation	<u>(29,036,915)</u>	<u>(27,693,915)</u>	<u>(31,706,700)</u>	<u>(30,061,455)</u>	<u>(60,743,615)</u>	<u>(57,755,370)</u>
Totals	<u>\$ 108,077,907</u>	<u>\$ 100,883,634</u>	<u>\$ 54,490,144</u>	<u>\$ 52,173,321</u>	<u>\$ 162,568,051</u>	<u>\$ 153,056,955</u>

The following graphs show the breakdown of governmental activities and business-type activities capital assets by category at December 31, 2023 and December 31, 2022.

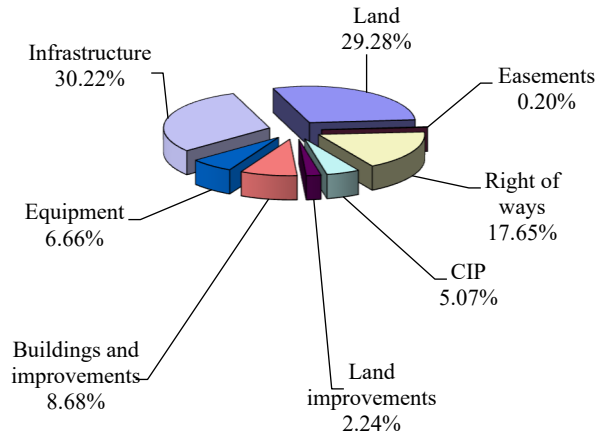
CITY OF AURORA, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)**

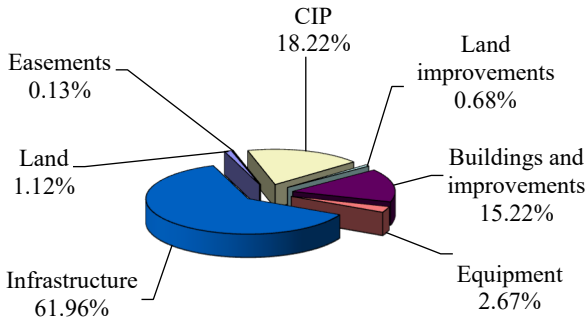
Capital Assets - Governmental Activities - 2023



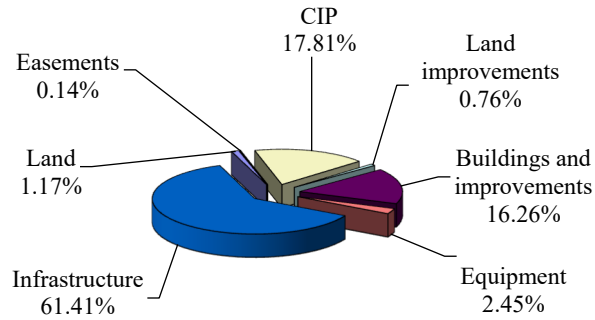
Capital Assets - Governmental Activities - 2022



Capital Assets - Business-type Activities 2023



Capital Assets - Business-type Activities 2022



The City has an aggressive stance on maintaining its assets, including infrastructure, in excellent condition. Equipment such as fire trucks and ambulances are planned for well in advance by the respective department heads and a scheduled maintenance and replacement timetable is followed to provide peak performance for the maximum time frame. Police cars are replaced every four years on a rotational basis. The older vehicles are either traded in to the dealers or sold to the highest bidder at auction.

With regards to the infrastructure, the City’s engineering department maintains a comprehensive listing of all the streets, culverts, water lines, sewer lines, and storm sewers in the City. As part of the City’s annual road maintenance program, the Engineer evaluates the condition of each street after each winter and prepares a list of streets to be either resurfaced or crack-sealed and in the case of concrete roads, either replaced or repaired. After approval from City Council, the projects are bid in early to late spring to get the best possible pricing from contractors. This program is paid for out of the capital improvements fund and the various levy funds of the City (all of which are nonmajor governmental funds).

The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. The City has a five-year capital plan in place that provides for street improvements and adding additional facilities to complement the current structures.

CITY OF AURORA, OHIO

MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Debt Administration

The City had the following long-term obligations outstanding at December 31, 2023 and December 31, 2022.

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
General obligation bonds	\$ 1,410,000	\$ 1,730,000	\$ 110,000	\$ 130,000	\$ 1,520,000	\$ 1,860,000
Loan payable agreements	329,169	499,896	-	-	329,169	499,896
OWDA loans	-	-	6,334,248	5,492,113	6,334,248	5,492,113
OPWC loans	96,854	135,961	194,464	224,546	291,318	360,507
Notes payable	-	173,073	-	-	-	173,073
Compensated absences	<u>1,366,769</u>	<u>1,331,678</u>	<u>80,044</u>	<u>65,819</u>	<u>1,446,813</u>	<u>1,397,497</u>
Total long-term obligations	<u>\$ 3,202,792</u>	<u>\$ 3,870,608</u>	<u>\$ 6,718,756</u>	<u>\$ 5,912,478</u>	<u>\$ 9,921,548</u>	<u>\$ 9,783,086</u>

See Note 8 in the basic financial statements for additional debt administration disclosure.

Economic Conditions and Next Year’s General Fund Budget Outlook

The year 2023 witnessed another strong financial year for the City of Aurora. Overall actual revenues continued to exceed budgeted amounts, which helped the City produce a significant General Fund operating surplus. At the request of the City’s Administration, City Council authorized the transfer of \$8,056,000 out of the General Fund to various capital funds for future capital needs prior to the end of 2023. The transferred amounts will be used to help cover the \$18.9 million in anticipated capital projects budgeted in 2024.

Actual General Fund revenues came in at 129.1% of expected amounts for the year. From an expenditure viewpoint, the General Fund as a whole spent 94.8% of budgeted expenses. The city is maintaining the General Fund at a level consistent with the informal policy of at least 3 months of operating expenditures in it as an emergency reserve, equating to approximately \$9-\$10 million.

The beginning of the year 2024 will see income tax collections perform similar to the previous year’s pace. It is anticipated that the remote workforce within the income tax base will have a little impact on the local economy as 2024 progresses. Conservative budgeting and the resilient income tax base will help Aurora continue to operate within its means while simultaneously furthering its infrastructure investments.

Contacting the City’s Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Timothy Clymer, Finance Director, City of Aurora, 129 W. Pioneer Trail, Aurora, Ohio 44202.

**BASIC
FINANCIAL STATEMENTS**

CITY OF AURORA, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash, cash equivalents and investments	\$ 33,336,028	\$ 17,415,822	\$ 50,751,850
Cash in segregated accounts	9,453	-	9,453
Receivables:			
Municipal income taxes	6,226,477	-	6,226,477
Real and other taxes	4,462,146	-	4,462,146
Other local taxes	252,848	-	252,848
Accounts	461,647	1,542,904	2,004,551
Special assessments	4,655	-	4,655
Accrued interest	217,632	6,980	224,612
Loans	133,320	-	133,320
Leases	463,182	851,442	1,314,624
Due from other governments	1,002,080	-	1,002,080
Prepayments	312,186	78,664	390,850
Materials and supplies inventory	131,750	-	131,750
Net pension asset	167,325	42,865	210,190
Capital assets:			
Non-depreciable capital assets	56,399,744	10,608,536	67,008,280
Depreciable capital assets, net	51,678,163	43,881,608	95,559,771
Total capital assets	<u>108,077,907</u>	<u>54,490,144</u>	<u>162,568,051</u>
Total assets	<u>155,258,636</u>	<u>74,428,821</u>	<u>229,687,457</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	57,367	-	57,367
Pension	9,496,965	936,686	10,433,651
OPEB	1,564,455	140,204	1,704,659
Total deferred outflows of resources	<u>11,118,787</u>	<u>1,076,890</u>	<u>12,195,677</u>
Total assets and deferred outflows of resources	<u>166,377,423</u>	<u>75,505,711</u>	<u>241,883,134</u>
Liabilities:			
Accounts payable	241,125	96,664	337,789
Contracts payable	34,929	45,835	80,764
Retainage payable	12,697	171,600	184,297
Accrued wages and benefits	446,646	49,716	496,362
Due to other governments	275,396	135,137	410,533
Unearned revenue	1,276,997	55,357	1,332,354
Accrued interest payable	8,084	527	8,611
Claims payable	95,961	13,656	109,617
Deposits payable	2,258,120	-	2,258,120
Settlement payable	-	950,000	950,000
Long-term liabilities:			
Due within one year	562,134	42,679	604,813
Due in more than one year:			
Net pension liability	25,831,194	2,092,233	27,923,427
Net OPEB liability	1,502,411	45,714	1,548,125
Other amounts due in more than one year	2,725,030	6,678,534	9,403,564
Total liabilities	<u>35,270,724</u>	<u>10,377,652</u>	<u>45,648,376</u>
Deferred inflows of resources:			
Real and other taxes levied for the next fiscal year	4,348,261	-	4,348,261
Pension	907,141	7,810	914,951
OPEB	1,475,639	16,153	1,491,792
Leases	442,854	852,259	1,295,113
Total deferred inflows of resources	<u>7,173,895</u>	<u>876,222</u>	<u>8,050,117</u>
Total liabilities and deferred inflows of resources	<u>42,444,619</u>	<u>11,253,874</u>	<u>53,698,493</u>
Net position:			
Net investment in capital assets	106,167,253	47,631,540	153,798,793
Restricted for:			
Debt service	509,048	-	509,048
Capital projects	41,974	-	41,974
Transportation projects	1,699,646	-	1,699,646
Security of persons and property	607,988	-	607,988
Community environment	632,756	-	632,756
Pension	167,325	42,865	210,190
Other purposes	68,417	-	68,417
Unrestricted	14,038,397	16,577,432	30,615,829
Total net position	<u>\$ 123,932,804</u>	<u>\$ 64,251,837</u>	<u>\$ 188,184,641</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 3,705,275	\$ 809,196	\$ 1,638	\$ -
Security of persons and property	13,309,667	11,874	161,507	55,092
Transportation	5,560,931	16,800	1,187,430	4,946,246
Community environment	1,664,878	-	24,900	-
Leisure time activity	2,954,516	511,472	14,496	-
Interest and fiscal charges	71,919	-	-	-
Total governmental activities	27,267,186	1,349,342	1,389,971	5,001,338
Business-type activities:				
Water	3,699,558	4,371,487	-	903,801
Sewer	4,503,523	3,492,482	-	1,696,644
Other business-type activities:				
Cemetery/Perpetual Care	89,662	69,856	-	-
Total business-type activities	8,292,743	7,933,825	-	2,600,445
Total primary government	\$ 35,559,929	\$ 9,283,167	\$ 1,389,971	\$ 7,601,783

General revenues:

Property taxes levied for:	
General purposes	
Debt service	
Municipal income taxes levied for:	
General purposes	
Capital projects	
Other local taxes	
Permissive motor vehicle license tax	
Grants and entitlements not restricted	
to specific programs	
Investment earnings	
Change in fair value of investments	
Miscellaneous	
Total general revenues	
Transfers	
Change in net position	
Net position at beginning of year	
Net position at end of year	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (2,894,441)	\$ -	\$ (2,894,441)
(13,081,194)	-	(13,081,194)
589,545	-	589,545
(1,639,978)	-	(1,639,978)
(2,428,548)	-	(2,428,548)
(71,919)	-	(71,919)
<u>(19,526,535)</u>	<u>-</u>	<u>(19,526,535)</u>
-	1,575,730	1,575,730
-	685,603	685,603
-	(19,806)	(19,806)
<u>-</u>	<u>2,241,527</u>	<u>2,241,527</u>
<u>(19,526,535)</u>	<u>2,241,527</u>	<u>(17,285,008)</u>
3,464,832	-	3,464,832
335,349	-	335,349
22,882,721	-	22,882,721
750,000	-	750,000
564,501	-	564,501
100,831	-	100,831
805,859	-	805,859
931,543	11,498	943,041
841,172	-	841,172
339,431	36,880	376,311
<u>31,016,239</u>	<u>48,378</u>	<u>31,064,617</u>
<u>(165,302)</u>	<u>165,302</u>	<u>-</u>
11,324,402	2,455,207	13,779,609
<u>112,608,402</u>	<u>61,796,630</u>	<u>174,405,032</u>
<u>\$ 123,932,804</u>	<u>\$ 64,251,837</u>	<u>\$ 188,184,641</u>

CITY OF AURORA, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	<u>General</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in pooled cash, cash equivalents and investments.	\$ 16,703,600	\$ 6,760,247	\$ 9,872,181	\$ 33,336,028
Cash in segregated accounts	9,453	-	-	9,453
Receivables:				
Municipal income taxes.	6,016,477	210,000	-	6,226,477
Real and other taxes	2,109,845	-	2,352,301	4,462,146
Other local taxes	227,669	-	25,179	252,848
Accounts.	391,235	-	70,412	461,647
Accrued interest	207,673	-	9,959	217,632
Special assessments	-	-	4,655	4,655
Loans	-	-	133,320	133,320
Leases	463,182	-	-	463,182
Due from other governments.	286,725	-	715,355	1,002,080
Prepayments	221,671	60,290	30,225	312,186
Materials and supplies inventory.	87,350	-	44,400	131,750
Total assets	<u>\$ 26,724,880</u>	<u>\$ 7,030,537</u>	<u>\$ 13,257,987</u>	<u>\$ 47,013,404</u>
Liabilities:				
Accounts payable.	\$ 164,769	\$ 29,149	\$ 47,207	\$ 241,125
Contracts payable.	996	11,558	22,375	34,929
Retainage payable	-	-	12,697	12,697
Accrued wages and benefits	395,558	-	51,088	446,646
Due to other governments	245,650	-	29,746	275,396
Unearned revenue	580	-	1,276,417	1,276,997
Claims payable	82,099	-	13,862	95,961
Deposits payable	2,258,120	-	-	2,258,120
Total liabilities	<u>3,147,772</u>	<u>40,707</u>	<u>1,453,392</u>	<u>4,641,871</u>
Deferred inflows of resources:				
Real and other taxes levied for the next fiscal year.	2,058,957	-	2,289,304	4,348,261
Income tax revenue not available	4,143,200	105,000	-	4,248,200
Delinquent property tax revenue not available.	50,888	-	56,007	106,895
Leases.	442,854	-	-	442,854
Accrued interest not available	108,757	-	5,453	114,210
Special assessments revenue not available.	-	-	4,655	4,655
Intergovernmental revenue not available.	247,911	-	571,642	819,553
Other revenue not available.	150,302	-	12,818	163,120
Total deferred inflows of resources	<u>7,202,869</u>	<u>105,000</u>	<u>2,939,879</u>	<u>10,247,748</u>
Fund balances:				
Nonspendable	314,734	60,290	74,625	449,649
Restricted.	-	-	3,027,946	3,027,946
Committed	1,126,218	6,824,540	662,212	8,612,970
Assigned	256,093	-	5,099,933	5,356,026
Unassigned	14,677,194	-	-	14,677,194
Total fund balances.	<u>16,374,239</u>	<u>6,884,830</u>	<u>8,864,716</u>	<u>32,123,785</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 26,724,880</u>	<u>\$ 7,030,537</u>	<u>\$ 13,257,987</u>	<u>\$ 47,013,404</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2023

Total governmental fund balances		\$ 32,123,785
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		108,077,907
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenue in the funds.		
Municipal income taxes receivable	\$ 4,248,200	
Real and other taxes receivable	106,895	
Other local taxes receivable	163,120	
Accrued interest receivable	114,210	
Special assessments receivable	4,655	
Due from other governments	819,553	
Total		5,456,633
Unamortized deferred charges on debt refundings are not recognized in the funds.		57,367
Unamortized premiums on bond issuances are not recognized in the funds.		(84,372)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(8,084)
The net pension asset is not available to pay for current period expenditures and the net pension liability does not require the use of current period net resources; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Net pension asset	167,325	
Deferred outflows of resources	9,496,965	
Deferred inflows of resources	(907,141)	
Net pension liability	(25,831,194)	
Total		(17,074,045)
The net OEPB asset is not available to pay for current period expenditures and the net OPEB liability does not require the use of current period net resources; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources	1,564,455	
Deferred inflows of resources	(1,475,639)	
Net OPEB liability	(1,502,411)	
Total		(1,413,595)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds payable	(1,410,000)	
Loans payable	(426,023)	
Compensated absences payable	(1,366,769)	
Total		(3,202,792)
Net position of governmental activities		\$ 123,932,804

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Municipal income taxes	\$ 22,925,305	\$ 735,000	\$ -	\$ 23,660,305
Real and other taxes.	1,805,242	-	2,127,445	3,932,687
Other local taxes	521,454	-	53,879	575,333
Charges for services.	159,293	-	528,297	687,590
Licenses and permits	481,700	-	97,962	579,662
Fines and forfeitures	51,388	-	11,849	63,237
Intergovernmental.	569,707	55,092	1,684,183	2,308,982
Investment income.	822,786	-	33,595	856,381
Rental income	21,790	-	-	21,790
Contributions and donations.	2,569	30,210	10,000	42,779
Change in fair value of investments	841,172	-	30,945	872,117
Other	267,438	-	57,317	324,755
Total revenues	28,469,844	820,302	4,635,472	33,925,618
Expenditures:				
Current:				
General government	3,064,422	-	88,930	3,153,352
Security of persons and property	9,923,352	-	793,880	10,717,232
Transportation	2,761,746	-	409,517	3,171,263
Community environment	1,367,240	-	38,058	1,405,298
Leisure time activity	-	-	2,461,772	2,461,772
Capital outlay	63,410	3,178,717	3,781,675	7,023,802
Debt service:				
Principal retirement.	170,727	-	532,180	702,907
Interest and fiscal charges	16,946	-	66,751	83,697
Total expenditures	17,367,843	3,178,717	8,172,763	28,719,323
Excess (deficiency) of revenues over (under) expenditures.	11,102,001	(2,358,415)	(3,537,291)	5,206,295
Other financing sources (uses):				
Sale of capital assets.	19,194	-	27,200	46,394
Transfers in	-	4,330,000	6,073,000	10,403,000
Transfers (out)	(10,698,000)	-	-	(10,698,000)
Total other financing sources (uses)	(10,678,806)	4,330,000	6,100,200	(248,606)
Net change in fund balances	423,195	1,971,585	2,562,909	4,957,689
Fund balances at beginning of year.	15,951,044	4,913,245	6,301,807	27,166,096
Fund balances at end of year.	\$ 16,374,239	\$ 6,884,830	\$ 8,864,716	\$ 32,123,785

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Net change in fund balances - total governmental funds		\$	4,957,689
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.			
Capital outlays		\$ 5,372,613	
Depreciation expense		(2,430,459)	
Total			2,942,154
Miscellaneous transactions involving capital assets (i.e. capital contributions, transfers, and disposals) are not reflected in the governmental funds, but had the following effect in the statement of activities:			
Capital contributions from outside sources		4,841,427	
Transfers from business-type activities, net		184,994	
Disposals, net		(774,302)	
Total			4,252,119
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Municipal income taxes		(27,584)	
Real and other taxes		(31,675)	
Other local taxes		(10,832)	
Investment income		114,210	
Other		(806)	
Special assessments		(2,937)	
Intergovernmental		(50,531)	
Total			(10,155)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in less interest being reported in the statement of activities:			
Decrease in accrued interest payable		4,883	
Amortization of bond premiums		21,541	
Amortization of deferred charges on refundings		(14,646)	
Total			11,778
Repayment of general obligation bonds, loans, and long-term notes are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net position.			
			702,907
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.			
			1,825,817
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability/asset are reported as pension expense in the statement of activities.			
			(3,539,615)
Contractually required OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.			
			38,957
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability/asset are reported as OPEB expense in the statement of activities.			
			177,842
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
			(35,091)
Change in net position of governmental activities		\$	11,324,402

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 17,090,000	\$ 17,090,000	\$ 22,423,200	\$ 5,333,200
Real and other taxes	1,801,484	1,801,484	1,805,242	3,758
Other local taxes	330,200	330,200	462,380	132,180
Charges for services	173,646	173,646	157,926	(15,720)
Licenses and permits	367,000	367,000	464,591	97,591
Fines and forfeitures	35,000	35,000	49,582	14,582
Intergovernmental	489,237	489,237	565,090	75,853
Investment income	400,000	400,000	711,683	311,683
Rental income	20,700	20,700	21,791	1,091
Contributions and donations	-	-	10,069	10,069
Other.	215,009	215,009	273,706	58,697
Total revenues	<u>20,922,276</u>	<u>20,922,276</u>	<u>26,945,260</u>	<u>6,022,984</u>
Expenditures:				
Current:				
General government.	3,271,395	3,386,263	3,142,570	243,693
Security of persons and property.	10,259,922	10,394,922	10,256,731	138,191
Transportation	3,494,713	3,494,713	3,237,337	257,376
Community environment.	1,704,253	1,752,253	1,528,478	223,775
Capital outlay	236,499	281,781	281,781	-
Total expenditures.	<u>18,966,782</u>	<u>19,309,932</u>	<u>18,446,897</u>	<u>863,035</u>
Excess of revenues over expenditures.	1,955,494	1,612,344	8,498,363	6,886,019
Other financing sources (uses):				
Sale of capital assets	5,000	5,000	25,301	20,301
Advances in.	50,000	50,000	50,000	-
Advances (out)	-	(50,000)	(50,000)	-
Transfers in.	12,758	12,758	12,758	-
Transfers (out)	(2,390,000)	(10,698,000)	(10,698,000)	-
Total other financing sources (uses).	<u>(2,322,242)</u>	<u>(10,680,242)</u>	<u>(10,659,941)</u>	<u>20,301</u>
Net change in fund balance	(366,748)	(9,067,898)	(2,161,578)	6,906,320
Unencumbered fund balance at beginning of year.	15,184,957	15,184,957	15,184,957	-
Prior year encumbrances appropriated.	<u>584,475</u>	<u>584,475</u>	<u>584,475</u>	<u>-</u>
Unencumbered fund balance at end of year	<u>\$ 15,402,684</u>	<u>\$ 6,701,534</u>	<u>\$ 13,607,854</u>	<u>\$ 6,906,320</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Other Nonmajor	Total
Assets:				
Current assets:				
Equity in pooled cash, cash equivalents and investments	\$ 8,243,900	\$ 9,044,753	\$ 127,169	\$ 17,415,822
Receivables:				
Accounts	874,270	666,468	2,166	1,542,904
Accrued interest	6,980	-	-	6,980
Leases	11,562	-	-	11,562
Prepayments	27,740	49,135	1,789	78,664
Total current assets	9,164,452	9,760,356	131,124	19,055,932
Noncurrent assets:				
Leases receivable	839,880	-	-	839,880
Net pension asset	16,682	25,180	1,003	42,865
Capital assets:				
Non-depreciable capital assets	139,524	10,466,822	2,190	10,608,536
Depreciable capital assets, net	16,800,099	26,943,646	137,863	43,881,608
Total capital assets	16,939,623	37,410,468	140,053	54,490,144
Total noncurrent assets	17,796,185	37,435,648	141,056	55,372,889
Total assets	26,960,637	47,196,004	272,180	74,428,821
Deferred outflows of resources:				
Pension	362,083	553,674	20,929	936,686
OPEB	53,875	83,070	3,259	140,204
Total deferred outflows of resources	415,958	636,744	24,188	1,076,890
Total assets and deferred outflows of resources	27,376,595	47,832,748	296,368	75,505,711
Liabilities:				
Current liabilities:				
Accounts payable	36,145	60,511	8	96,664
Contracts payable	-	45,835	-	45,835
Retainage payable	-	171,600	-	171,600
Accrued wages and benefits	20,771	27,891	1,054	49,716
Settlement payable	210,431	739,569	-	950,000
Compensated absences	394	-	-	394
Due to other governments	120,000	14,680	457	135,137
Unearned revenue	55,357	-	-	55,357
Accrued interest payable	-	527	-	527
Claims payable	4,832	8,325	499	13,656
G.O. bonds payable	-	20,000	-	20,000
OPWC loans payable	7,670	12,412	-	20,082
OWDA loans payable	-	2,203	-	2,203
Total current liabilities	455,600	1,103,553	2,018	1,561,171
Long-term liabilities:				
Compensated absences	39,569	40,081	-	79,650
G.O. bonds payable	-	92,457	-	92,457
OPWC loans payable	149,559	24,823	-	174,382
OWDA loans payable	-	6,332,045	-	6,332,045
Net pension liability	814,253	1,229,000	48,980	2,092,233
Net OPEB liability	17,791	26,853	1,070	45,714
Total long-term liabilities	1,021,172	7,745,259	50,050	8,816,481
Total liabilities	1,476,772	8,848,812	52,068	10,377,652
Deferred inflows of resources:				
Pension	2,757	3,573	1,480	7,810
OPEB	6,648	9,111	394	16,153
Leases	852,259	-	-	852,259
Total deferred inflows of resources	861,664	12,684	1,874	876,222
Total liabilities and deferred inflows of resources	2,338,436	8,861,496	53,942	11,253,874
Net position:				
Net investment in capital assets	16,782,394	30,709,093	140,053	47,631,540
Restricted for pension	16,682	25,180	1,003	42,865
Unrestricted	8,239,083	8,236,979	101,370	16,577,432
Total net position	\$ 25,038,159	\$ 38,971,252	\$ 242,426	\$ 64,251,837

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Other Nonmajor	Total
Operating revenues:				
Charges for services	\$ 4,371,487	\$ 3,466,164	\$ 69,856	\$ 7,907,507
Other	13,970	22,836	74	36,880
Total operating revenues.	<u>4,385,457</u>	<u>3,489,000</u>	<u>69,930</u>	<u>7,944,387</u>
Operating expenses:				
Personal services	700,502	1,181,808	50,391	1,932,701
Contract services.	1,817,354	330,010	6,476	2,153,840
Materials and supplies.	400,344	1,129,989	12,164	1,542,497
Depreciation.	566,437	1,067,796	18,424	1,652,657
Other	214,726	742,395	2,207	959,328
Total operating expenses.	<u>3,699,363</u>	<u>4,451,998</u>	<u>89,662</u>	<u>8,241,023</u>
Operating income (loss).	<u>686,094</u>	<u>(962,998)</u>	<u>(19,732)</u>	<u>(296,636)</u>
Nonoperating revenues (expenses):				
Interest expense and fiscal charges	-	(51,330)	-	(51,330)
Loss on disposal of capital assets	(195)	(195)	-	(390)
Interest income.	11,498	-	-	11,498
Capital assets transferred to governmental activities.	(148,627)	(36,367)	-	(184,994)
Special assessments.	-	26,318	-	26,318
Total nonoperating revenues (expenses).	<u>(137,324)</u>	<u>(61,574)</u>	<u>-</u>	<u>(198,898)</u>
Net income (loss) before transfers and capital contributions.	548,770	(1,024,572)	(19,732)	(495,534)
Transfers in	-	280,000	15,000	295,000
Capital contributions.	907,001	1,748,740	-	2,655,741
Change in net position	1,455,771	1,004,168	(4,732)	2,455,207
Net position at beginning of year	<u>23,582,388</u>	<u>37,967,084</u>	<u>247,158</u>	<u>61,796,630</u>
Net position at end of year	<u>\$ 25,038,159</u>	<u>\$ 38,971,252</u>	<u>\$ 242,426</u>	<u>\$ 64,251,837</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF AURORA, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Other Nonmajor	Total
Cash flows from operating activities:				
Cash received from customers	\$ 4,411,817	\$ 3,475,235	\$ 70,145	\$ 7,957,197
Cash received from other operations	13,970	22,866	74	36,910
Cash payments for personal services	(720,932)	(1,122,819)	(49,317)	(1,893,068)
Cash payments for contract services	(1,983,932)	(315,452)	(6,476)	(2,305,860)
Cash payments for materials and supplies	(406,608)	(1,162,226)	(13,610)	(1,582,444)
Cash payments for other expenses.	(4,295)	(3,006)	(2,207)	(9,508)
Net cash provided by (used in) operating activities	<u>1,310,020</u>	<u>894,598</u>	<u>(1,391)</u>	<u>2,203,227</u>
Cash flows from noncapital financing activities:				
Interest received from leases.	6,000	-	-	6,000
Cash received from transfers in	-	280,000	15,000	295,000
Net cash provided by noncapital financing activities	<u>6,000</u>	<u>280,000</u>	<u>15,000</u>	<u>301,000</u>
Cash flows from capital and related financing activities:				
OWDA loan issuance	-	940,732	-	940,732
Cash received from special assessments.	-	26,318	-	26,318
Principal payments on OWDA loans	-	(98,597)	-	(98,597)
Principal payments on OPWC loans	(17,670)	(12,412)	-	(30,082)
Principal payments on G.O. bonds	-	(20,000)	-	(20,000)
Acquisition of capital assets.	(360,278)	(1,409,308)	-	(1,769,586)
Interest and fiscal charges.	-	(51,926)	-	(51,926)
Net cash used in capital and related financing activities	<u>(377,948)</u>	<u>(625,193)</u>	<u>-</u>	<u>(1,003,141)</u>
Net increase in cash and cash equivalents	938,072	549,405	13,609	1,501,086
Cash and cash equivalents at beginning of year	<u>7,305,828</u>	<u>8,495,348</u>	<u>113,560</u>	<u>15,914,736</u>
Cash and cash equivalents at end of year.	<u>\$ 8,243,900</u>	<u>\$ 9,044,753</u>	<u>\$ 127,169</u>	<u>\$ 17,415,822</u>

-- Continued

CITY OF AURORA, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Other Nonmajor	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 686,094	\$ (962,998)	\$ (19,732)	\$ (296,636)
Adjustments:				
Depreciation	566,437	1,067,796	18,424	1,652,657
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
Accounts receivable	(10,230)	(26,528)	(1,877)	(38,635)
Leases receivable	(670,708)	-	-	(670,708)
Prepayments	(7,634)	(9,432)	(1,789)	(18,855)
Net pension asset	8,278	13,219	728	22,225
Net OPEB asset	82,359	126,703	5,711	214,773
Deferred outflows-pension	(261,775)	(341,332)	(11,601)	(614,708)
Deferred outflows-OPEB	(53,513)	(71,273)	(1,981)	(126,767)
Accounts payable	11,637	(19,939)	-	(8,302)
Settlement payable	210,431	739,569	-	950,000
Accrued wages and benefits	2,990	749	(250)	3,489
Due to other governments	(181,011)	3,163	(60)	(177,908)
Unearned revenue	27,941	-	-	27,941
Claims payable	(2,109)	(4,254)	(255)	(6,618)
Compensated absences payable	2,195	12,030	-	14,225
Net pension liability	591,442	886,222	33,528	1,511,192
Net OPEB liability	17,791	26,853	1,070	45,714
Deferred inflows-pension	(292,001)	(424,151)	(17,800)	(733,952)
Deferred inflows-OPEB	(91,453)	(121,799)	(5,507)	(218,759)
Deferred inflows-leases	672,859	-	-	672,859
Net cash provided by (used in) operating activities	<u>\$ 1,310,020</u>	<u>\$ 894,598</u>	<u>\$ (1,391)</u>	<u>\$ 2,203,227</u>

Non-Cash Transactions:

During 2023, the water fund received capital contributions from governmental activities and outside sources in the amount of \$3,200 and \$903,801, respectively.

During 2023, the water fund purchased \$148,627 in capital assets for governmental activities.

During 2022, the water fund purchased capital assets on account in the amount of \$7,193.

During 2023, the sewer fund received capital contributions from governmental activities and outside sources in the amount of \$52,000 and \$1,696,644, respectively.

During 2023, the sewer fund purchased \$36,367 in capital assets for governmental activities.

During 2023, the sewer fund purchased capital assets on account in the amount of \$217,435.

During 2022, the sewer fund purchased capital assets on account in the amount of \$480,705.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

STATEMENT OF FIUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2023

	<u>Custodial</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 665
Receivables (net of allowances for uncollectibles):	
Accounts	<u>7</u>
Total assets	<u>672</u>
Liabilities:	
Due to other governments	<u>522</u>
Total liabilities	<u>522</u>
Net position:	
Restricted for organizations and other governments	<u>150</u>
Total net position	<u>\$ 150</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF AURORA, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Custodial
Additions:	
Licenses, permits and fees for other governments	\$ 4,394
Total additions	4,394
Deductions:	
Licenses, permits and fees distributions to other governments	4,244
Total deductions	4,244
Net change in fiduciary net position	150
Net position beginning of year.	-
Net position end of year.	\$ 150

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - DESCRIPTION OF THE CITY

The City of Aurora, Ohio (the “City”) operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a Mayor - Council form of government.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City’s significant accounting policies are described below.

A. Reporting Entity

The City’s reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes police and fire protection, parks and recreation, water and sewer service, street maintenance and repairs and general administrative services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s Governing Board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the City has no component units. The basic financial statements of the reporting entity include only those of the City (the primary government).

The City participates in the City of Aurora Joint Economic Development District. This jointly governed organization is discussed in Note 20 of the basic financial statements.

B. Basis of Presentation - Fund Accounting

The City’s financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Interfund services provided and used are not eliminated in the process of consolidation. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental functions are self-financing or draw from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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 operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel expenses and other expenses related to sewer, water, and cemetery and perpetual care operations. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

C. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Capital improvements fund - The capital improvements fund accounts for income tax monies and other resources intended for use on various capital projects and asset acquisitions.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no internal service funds.

Enterprise funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water - The water fund accounts for the purchase of water from Portage County and distributes and bills residents and commercial users located within the City.

Sewer - The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

The nonmajor enterprise fund is used to account for cemetery and perpetual care operations.

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. Custodial funds are used to account for fees remitted directly to the State of Ohio and donations held for an outside organization.

D. Measurement Focus

Government-Wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

Like the government-wide statements, the proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. In fiduciary funds, a liability to the beneficiaries of the fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and custodial funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and deferred outflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within forty-five days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants and entitlements, and donations. On the accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 6.B). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6.A). Revenue from grants and entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Income taxes are collected by the Regional Income Tax Agency (“RITA”) and remitted to the City net of collection costs on the tenth working day of the month following collection. Revenues are susceptible to accrual and are so recorded at year end (See Note 6.B). These revenues are intended for use in the general fund and the capital improvements fund by City Council. All collection costs and related income retained are reflected in the general fund.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income taxes, State-levied locally shared taxes (including gasoline tax, local government funds, and permissive tax), fines and forfeitures and interest.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 12 and 13 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position. In addition, deferred outflows of resources include a deferred gain on debt refunding. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Process

The City follows these procedures in establishing and legally adopting the budgetary information for all funds:

The Administration prepares the annual budget and submits it to the City Council for adoption. This budget is based upon estimated receipts and expenditures, including encumbrances.

Prior to holding a public hearing on the proposed budget, it is made available for review at the office of the Finance Director.

City Council holds a public hearing on the proposed budget.

City Council adopts the budget, on a total fund basis, for the following year by ordinance on or before July 15 of each year.

CITY OF AURORA, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

After adoption, the budget is certified to the County Budget Commission by July 20 for the period January 1 to December 31 of the following year. The County Budget Commission conducts another hearing and determines if the budget fairly represents the needs of the City.

The County Budget Commission certifies its actions to the City by September 1. As part of this examination, the City receives the official certificate of estimated resources, which projects receipts of each fund.

The City accepts and levies the County Budget Commission's estimated necessary tax rate for the ensuing tax year. Their acceptance must be certified to the County Auditor by October 1.

On or about January 1, the Finance Director files an amendment to the certificate of estimated resources and expenditures to include the fund balances at the end of the preceding year.

A temporary appropriation measure may be passed by City Council on or before January 1 for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 for the period January 1 to December 31. The legal level of budgetary control has been established by Council at the personal services and other object level within each department of each fund. The budgeted amounts by department or expenditure category reflected in the basic financial statements include this initial appropriation measure and all revisions thereto for the year.

The Finance Director is authorized to transfer budgeted amounts within expenditure categories within any department; however, all other transfers or other revisions that affect the total appropriation measure for any fund must be authorized by City Council.

At the close of each year, the unencumbered balance of each appropriation lapses, reverts to the fund from which it was appropriated, and is subject to future appropriation.

G. Cash and Investments

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents".

The City has segregated bank accounts for monies held separate from the City's central bank account. These depository accounts are presented on the basic financial statements as "cash in segregated accounts" since it is not required to be deposited into the City Treasury. The City maintains segregated depository accounts for medical claims and flexible spending.

During 2023, investments were limited to negotiable certificates of deposit (CDs), U.S. Treasury notes and U.S. government money market. Investments are reported at fair value, except for nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market prices.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment income credited to the general fund during 2023 amounted to \$809,931, which includes \$499,520 assigned from other City funds. The general fund also received \$12,855 in interest revenue from lessor lease agreements.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the basic financial statements as cash equivalents.

An analysis of the City's investment account at year end is provided in Note 4.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Materials and Supplies Inventory

Inventory is stated at cost (first-in, first-out) in the governmental fund types, and at the lower of cost (first-in, first-out) or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and expenses in the proprietary funds when used.

On the governmental fund financial statements, reported materials and supplies inventory is equally offset by nonspendable fund balance, which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption.

I. Capital Assets

General capital assets are capital assets that are associated with, and generally arise from, governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the governmental fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deductions during the year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$2,000. The City's infrastructure consists of roads, storm sewers, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All reported capital assets are depreciated except for land, easements, right of ways, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method with one-half year convention and a 5% salvage value over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>	
	<u>Government-type</u>	<u>Business-type</u>
Land improvements	10 to 50 years	20 to 45 years
Buildings and improvements	10 to 45 years	10 to 45 years
Equipment	3 to 26 years	5 to 30 years
Infrastructure	15 to 30 years	-
Roads	25 to 50 years	25 to 50 years
Water lines	-	15 to 55 years
Sewer lines	-	15 to 55 years
Stormwater lines	-	45 years

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Compensated Absences

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences", vacation leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation leave when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for employees after ten years of service with the City. Compensatory time benefits are accrued as a liability based on accumulated unused compensatory time balances and the rate of pay attributable to applicable employees at year end.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which the services are consumed. Prepaid items are equally offset by nonspendable fund balance in the governmental funds, which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims payable and compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds, note, and loan obligations are recognized as liabilities on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

On the government-wide financial statements and proprietary fund financial statements, bond premiums are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of applicable bond premiums.

M. Bond Issuance Costs/Bond Premium and Discount/Deferred Charges on Refunding

On both the government-wide financial statements and the fund financial statements, bond issuance costs are recognized in the period in which these items are incurred.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

On the government-wide financial statements, bond premiums and discounts are amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds. On the governmental fund financial statements, bond premiums and discounts are recognized in the period in which these items are incurred. The reconciliation between the face value of bonds and the amount reported on the statement of net position is presented in Note 8.

For current and advance refundings resulting in the defeasance of debt reported in the government-wide financial statements and enterprise funds, the difference between the reacquisition price and the net carrying amount of the old debt is amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred inflow of resources or a deferred outflow of resources.

N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements.

O. Capital Contributions

Capital contributions in the governmental activities arise from outside contributions of capital assets, from grants, or from outside contributions of resources restricted to capital acquisition and construction. During 2023, the governmental activities reported capital contributions in the amount of \$4,841,427 and \$184,994 in capital contributions from outside sources and business-type activities, respectively. Amounts received from business-type activities are reported as transfers on the statement of activities.

Capital contributions in the business-type activities arise from contributions from governmental activities, from outside contributions of capital assets, from grants, or from outside contributions of resources restricted to capital acquisition and construction. During 2023, the water fund received \$903,801 and \$3,200 in capital contributions from outside sources and governmental activities, respectively. The sewer fund received \$1,696,644 and \$52,096 in capital contributions from outside sources and governmental activities, respectively. Amount received from governmental activities are reported as transfers on the statement of activities.

P. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Q. Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. The City reported neither type of transaction during 2023.

S. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing or liabilities used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. Net position restricted for other purposes consists primarily of programs for general government.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

T. Loans Receivable

Loans receivable represent the right to receive repayment for certain loans made by the City. These loans are based upon written agreements between the City and the various loan recipients. Reported loans receivable is offset by restricted fund balance in the governmental funds.

U. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as due to/from other funds. These amounts are eliminated in the governmental activities column on the statement of net position, except for any residual amounts between governmental and business-type activities, which are presented as internal balance.

V. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net pension asset, net OPEB asset, deferred outflows of resources and deferred inflows of resources to related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

W. Fair Value Measurements

The City 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.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For 2023, the City has implemented GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements", GASB Statement No. 96, "Subscription Based Information Technology Arrangements", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "Omnibus 2022".

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the City.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the City.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the City.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the City Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);

CITY OF AURORA, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

7. Certain bankers' acceptances and commercial paper note for a period not to exceed one hundred eighty days and two hundred seventy days, respectively, from the purchase date in an amount not to exceed 40 percent of the interim monies available for investment at any one time; and,

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At December 31, 2023, the City had \$2,150 in undeposited cash on hand, which is included on the basic financial statements of the City as part of "equity in pooled cash and cash equivalents".

B. Cash in Segregated Accounts

At December 31, 2023, the City had \$9,453 in segregated accounts for medical claims and flexible spending. These accounts were covered by the FDIC or pooled collateral held by the depository institution. These amounts are not included in the City's depository balance below.

C. Deposits with Financial Institutions

At December 31, 2023, the carrying amount of all City deposits was \$14,294,843 and the bank balance of all City deposits was \$15,280,191. Of the bank balance, \$512,753 was covered by the FDIC and \$14,767,438 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the City's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, the City's financial institutions were collateralized at a rate through the OPCS of 102 percent. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

As of December 31, 2023, the City had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement <u>Amount</u>	Investment Maturities				
		6 months or <u>less</u>	7 to 12 <u>months</u>	13 to 18 <u>months</u>	19 to 24 <u>months</u>	Greater than <u>24 months</u>
<i>Fair Value:</i>						
Negotiable CDs	\$ 7,431,216	\$ 2,130,121	\$ 597,323	\$ 234,087	\$ 1,498,027	\$ 2,971,658
U.S. Treasury notes	28,427,153	2,960,943	2,742,835	3,419,051	2,892,745	16,411,579
U.S. Government money market	597,153	597,153	-	-	-	-
Total	\$ 36,455,522	\$ 5,688,217	\$ 3,340,158	\$ 3,653,138	\$ 4,390,772	\$ 19,383,237

The weighted average maturity of investments is 2.34 years.

The City's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The City's investments in U.S. Treasury notes and negotiable CDs are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the City's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The City's investments in U.S. Treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The negotiable CDs and the U.S. government money market were not rated. The negotiable CDs are covered by FDIC. The City has no investment policy dealing with investment credit risk beyond the requirements in State statutes.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy does not specifically address custodial credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Concentration of Credit Risk: The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2023:

Measurement/ <u>Investment type</u>	Measurement	
	<u>Amount</u>	<u>% to Total</u>
<i>Fair Value:</i>		
Negotiable CDs	\$ 7,431,216	20.38
U.S. Treasury notes	28,427,153	77.98
U.S. Government money market	597,153	1.64
Total	\$ 36,455,522	100.00

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

E. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2023:

Cash and investments per note

Carrying amount of deposits	\$ 14,294,843
Investments	36,455,522
Cash in segregated accounts	9,453
Cash on hand	<u>2,150</u>
Total	<u>\$ 50,761,968</u>

Cash and investments per statement of net position

Governmental activities	\$ 33,345,481
Business-type activities	17,415,822
Custodial funds	<u>665</u>
Total	<u>\$ 50,761,968</u>

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2023, consisted of the following, as reported on the fund financial statements:

Transfers from general fund to:

Sewer fund	\$ 280,000
Cemetery/perpetual care fund (a nonmajor enterprise fund)	15,000
Capital improvement fund	4,330,000
Nonmajor governmental funds	<u>6,073,000</u>
Total	<u>\$10,698,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget required 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.

Transfers between governmental funds are eliminated on the government-wide financial statements. Transfers between governmental funds and proprietary funds (business-type activities) are reported as transfers on the statement of activities.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 6 - RECEIVABLES

Receivables at December 31, 2023 consisted of municipal income taxes, real and other taxes, other local taxes, accounts, special assessments, accrued interest, loans, leases and intergovernmental receivables arising from grants, entitlements, and shared revenues. All intergovernmental receivables have been reported as “due from other governments” on the basic financial statements. All receivables, except leases and loans receivable, are expected to be collected within the subsequent year. The leases and loans receivable will be collected over the duration of the agreements.

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Aurora. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes, and other outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2023 operations, and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue is considered a deferred inflow of resources.

The full tax rate for all City operations for the year ended December 31, 2023 was \$7.45 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2023 property tax receipts were based are as follows:

Real property	\$ 837,436,550
Public utility tangible personal property	<u>20,462,140</u>
Total assessed value	<u>\$ 857,898,690</u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City’s share is 0.24% (2.4 mills) of assessed value.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 6 – RECEIVABLES - (Continued)

B. Municipal Income Taxes

The City levies an income tax of 2% on substantially all earned income in the City with a 100% credit up to 2% allowed for income taxes paid to other municipalities. Collection fees charged by RITA and Ohio Department of Taxation of \$671,986 (less a refund of \$439,163 in 2023 are reflected in the basic financial statements as general government expenditures in the general fund. See Note 2.E. (Revenues - Exchange and Nonexchange Transactions) for distribution of income taxes by fund.

C. Intergovernmental Receivables

A summary of the principal items of governmental activities intergovernmental receivables (due from other governments) follows:

<u>Governmental activities</u>	<u>Amounts</u>
Homestead and rollback	\$ 232,012
State sales tax	166,451
Gasoline and excise tax	471,846
Motor vehicle license fees	73,503
Permissive motor vehicle license tax	3,495
County fines and forfeitures, fees, refunds and reimbursements	<u>54,773</u>
Total	<u>\$ 1,002,080</u>

D. Loans Receivable

Loans receivable represent loans for housing repair and rehabilitation projects granted to eligible City property owners under the Community Housing Improvement Program (CHIP). As of December 31, 2023, \$0 in loans receivable were repaid to the City, no new loans were issued by the City and \$38,058 in loans receivable were written off for various property owners. The loans outstanding at December 31, 2023, total \$133,320 and are to be repaid in accordance with the loan agreement upon the sale or abandonment of the various properties.

E. Leases Receivable

The City is reporting leases receivable of \$463,182 and \$851,442 in the general fund and the water fund, respectively. For 2023, the City recognized lease revenue of \$81,431, which is reported in charges for services, and interest revenue of \$18,960.

The City has entered into the following lease agreements as the lessor at varying years and terms as follows:

<u>Lease Type</u>	<u>Fund</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Cell Tower Land Lease - Fire Station	General Fund	2001	30	2031	Monthly
Cell Tower Land Lease - Fire Station - Sublease	General Fund	2001	30	2031	Monthly
Cell Tower Land Lease - North Water Tower	Water Fund	1998	50	2048	Annual

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 6 – RECEIVABLES - (Continued)

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 48,883	\$ 11,683	\$ 60,566	\$ 11,562	\$ 28,263	\$ 39,825
2025	50,194	10,372	60,566	11,945	27,880	39,825
2026	54,869	9,015	63,884	12,342	27,483	39,825
2027	63,087	7,433	70,520	12,752	27,073	39,825
2028	64,780	5,740	70,520	19,148	26,650	45,798
2029 - 2033	181,369	6,684	188,053	112,580	123,283	235,863
2034 - 2038	-	-	-	170,284	100,958	271,242
2039 - 2043	-	-	-	243,884	68,044	311,928
2044 - 2048	-	-	-	256,945	21,671	278,616
Total	<u>\$ 463,182</u>	<u>\$ 50,927</u>	<u>\$ 514,109</u>	<u>\$ 851,442</u>	<u>\$ 451,305</u>	<u>\$ 1,302,747</u>

NOTE 7 - CAPITAL ASSETS

A. The capital asset activity of governmental activities for the year ended December 31, 2023, was as follows:

	Balance January 1, 2023	Additions	Deductions	Balance December 31, 2023
<u>Governmental activities:</u>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 29,535,863	\$ 701,710	\$ -	\$ 30,237,573
Easements and right of ways	18,011,661	2,482,500	-	20,494,161
Construction in progress	5,112,129	1,814,311	(1,258,430)	5,668,010
Total capital assets, not being depreciated	<u>52,659,653</u>	<u>4,998,521</u>	<u>(1,258,430)</u>	<u>56,399,744</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	3,783,570	167,415	(24,656)	3,926,329
Buildings and improvements	16,490,684	1,523,636	(14,026)	18,000,294
Equipment	13,485,253	1,206,860	(489,875)	14,202,238
Infrastructure	42,158,389	3,761,032	(1,333,204)	44,586,217
Total capital assets, being depreciated	<u>75,917,896</u>	<u>6,658,943</u>	<u>(1,861,761)</u>	<u>80,715,078</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(1,520,396)	(134,536)	7,186	(1,647,746)
Buildings and improvements	(7,729,948)	(396,909)	6,275	(8,120,582)
Equipment	(6,768,537)	(786,345)	386,035	(7,168,847)
Infrastructure	(11,675,034)	(1,112,669)	687,963	(12,099,740)
Total accumulated depreciation	<u>(27,693,915)</u>	<u>(2,430,459)</u>	<u>1,087,459</u>	<u>(29,036,915)</u>
Total capital assets, being depreciated, net	<u>48,223,981</u>	<u>4,228,484</u>	<u>(774,302)</u>	<u>51,678,163</u>
Governmental activities capital assets, net	<u>\$ 100,883,634</u>	<u>\$ 9,227,005</u>	<u>\$ (2,032,732)</u>	<u>\$ 108,077,907</u>

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 7 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental activities as follows:

Governmental activities:

General government	\$ 224,176
Security of persons and property	404,685
Transportation	1,514,779
Community environment	25,706
Leisure time activity	<u>261,113</u>
Total depreciation expense - governmental activities	<u>\$ 2,430,459</u>

B. The capital asset activity of business-type activities for the year ended December 31, 2023, was as follows:

	Balance			Balance
<u>Business-type activities:</u>	<u>January 1, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2023</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 611,521	\$ -	\$ -	\$ 611,521
Easements	71,710	-	-	71,710
Construction in progress	<u>9,293,931</u>	<u>673,862</u>	<u>(42,488)</u>	<u>9,925,305</u>
Total capital assets, not being depreciated	<u>9,977,162</u>	<u>673,862</u>	<u>(42,488)</u>	<u>10,608,536</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	646,545	-	-	646,545
Buildings and improvements	17,670,856	174,194	-	17,845,050
Equipment	3,168,780	365,137	(7,802)	3,526,115
Infrastructure	<u>50,771,433</u>	<u>2,799,165</u>	<u>-</u>	<u>53,570,598</u>
Total capital assets, being depreciated	<u>72,257,614</u>	<u>3,338,496</u>	<u>(7,802)</u>	<u>75,588,308</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(249,826)	(25,689)	-	(275,515)
Buildings and improvements	(9,185,888)	(368,854)	-	(9,554,742)
Equipment	(1,893,356)	(183,124)	7,412	(2,069,068)
Infrastructure	<u>(18,732,385)</u>	<u>(1,074,990)</u>	<u>-</u>	<u>(19,807,375)</u>
Total accumulated depreciation	<u>(30,061,455)</u>	<u>(1,652,657)</u>	<u>7,412</u>	<u>(31,706,700)</u>
Total capital assets, being depreciated, net	<u>42,196,159</u>	<u>1,685,839</u>	<u>(390)</u>	<u>43,881,608</u>
Business-type activities capital assets, net	<u>\$ 52,173,321</u>	<u>\$ 2,359,701</u>	<u>\$ (42,878)</u>	<u>\$ 54,490,144</u>

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

Business-type activities:

Water	\$ 566,437
Sewer	1,067,796
Other nonmajor	<u>18,424</u>
Total depreciation expense - business-type activities	<u>\$ 1,652,657</u>

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 - LONG-TERM OBLIGATIONS

Long-term bonds and loans outstanding for the governmental and business-type activities at December 31, 2023 included the following:

<u>Purpose (Description)</u>	<u>Principal Original Issuance</u>	<u>Interest Rate</u>	<u>Date of Final Installment</u>	<u>Balance at December 31, 2023</u>
<u>Governmental activities:</u>				
Voted general obligation bonds to be repaid by property tax revenues:				
Land acquisition improvement refunding bonds	\$ 4,675,000	1.375-3.75%	December 1, 2027	\$ 1,410,000
Total voted debt				<u>\$ 1,410,000</u>
Long-term loans payable (direct borrowing):				
Loans payable agreement-Draucker property	110,000	2.50%	September 1, 2024	\$ 27,500
Loans payable agreement-Pennock property	833,280	3.50%	September 1, 2025	301,669
Total long-term loans payable				<u>\$ 329,169</u>
OPWC loans payable (direct borrowing):				
OPWC loan - CG32O	81,874	0.00%	July 1, 2024	4,094
OPWC loan - CG40X	154,600	0.00%	January 1, 2027	92,760
Total long-term loans				<u>\$ 96,854</u>
Total governmental activities bonds and loans				<u>\$ 1,836,023</u>
<u>Business-type activities:</u>				
Unvoted general obligations bonds:				
Weston Woods Subdivision bonds, series 2008	300,000	5.50-5.75%	December 1, 2028	\$ 110,000
Total unvoted debt				<u>\$ 110,000</u>
Long-term loans payable:				
OWDA loans to be repaid from user fees (direct borrowing):				
Sunny Lake Park	38,545	3.43%	January 1, 2030	\$ 14,417
Central Sludge Digestion and Storage Water Pollution Control	N/A	0.74%	July 1, 2053	6,319,831
Total OWDA loans				<u>\$ 6,334,248</u>
OWPC loans (direct borrowing):				
OPWC loan - CG43P	230,092	0.00%	July 1, 2044	\$ 157,229
OPWC loan - CG56X	62,058	0.00%	January 1, 2027	37,235
Total OWPC loans				<u>\$ 194,464</u>
Total business-type activities bonds and loans				<u>\$ 6,638,712</u>

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)

The changes in the City's long-term obligations during the year consist of the following:

	Balance			Amounts	
	January 1, 2023	Additions	Reductions	Balance December 31, 2023	Due in One Year
<u>Governmental activities:</u>					
General obligation bonds	\$ 1,730,000	\$ -	\$ (320,000)	\$ 1,410,000	\$ 335,000
OPWC loans (direct borrowing)	135,961	-	(39,107)	96,854	35,014
Loan payable agreements (direct borrowing)	499,896	-	(170,727)	329,169	175,740
Notes payable (direct borrowing)	173,073	-	(173,073)	-	-
Net pension liability	13,724,992	12,106,202	-	25,831,194	-
Net OPEB liability	1,986,304	178,447	(662,340)	1,502,411	-
Compensated absences	1,331,678	70,561	(35,470)	1,366,769	16,380
Total governmental activities long-term liabilities	\$ 19,581,904	\$ 12,355,210	\$ (1,400,717)	30,536,397	\$ 562,134
			Add: unamortized premiums on bond issues	84,372	
			Total reported on the statement of net position	<u>\$ 30,620,769</u>	
<u>Business-type activities:</u>					
General obligation bonds	\$ 130,000	\$ -	\$ (20,000)	\$ 110,000	\$ 20,000
OWDA loans (direct borrowing)	5,492,113	940,732	(98,597)	6,334,248	2,203
OPWC loans (direct borrowing)	224,546	-	(30,082)	194,464	20,082
Net pension liability	581,041	1,511,192	-	2,092,233	-
Net OPEB liability	-	45,714	-	45,714	-
Compensated absences	65,819	15,191	(966)	80,044	394
Total business-type activities long-term liabilities	\$ 6,493,519	\$ 2,512,829	\$ (149,645)	8,856,703	\$ 42,679
			Add: unamortized premiums on bond issues	2,457	
			Total reported on the statement of net position	<u>\$ 8,859,160</u>	

Net Pension Liability and Net OPEB Liability

See Notes 12 and 13 for additional disclosure on net pension liability and net OPEB liability, respectively. The City pays obligations related to employee compensation from the fund benefitting from their service, which is primarily the general fund, water fund and sewer fund.

Compensated Absences

Compensated absences will be paid from the fund from which the employee is paid. For governmental activities, this is primarily the general fund. For business-type activities, this is primarily the water fund and the sewer fund.

Land Acquisition Improvement Refunding Bonds, Series 2012

On February 1, 2012, the City issued \$4,675,000 in land acquisition improvement general obligation refunding bonds. The bonds bear interest at rates ranging from 1.375 percent to 3.75 percent per annum and mature on December 1, 2027. A portion of the proceeds of the bonds were used to purchase U.S. Treasury Securities and to provide cash that was placed in an escrow account to advance refund the City's land acquisition improvement general obligation bonds. The refunded bonds are not included in the City's outstanding debt since the City satisfied its obligation for those bonds through this advance refunding.

The reacquisition price exceeded the net carrying amount of the old debt by \$231,900. The City also received a premium on the issue of \$341,070. These amounts are being amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)

Principal and interest paid for the current year was \$320,000 and \$63,238, respectively, paid from the bond retirement land acquisition fund (a nonmajor governmental fund).

Weston Woods Subdivision Bonds, Series 2008

On July 16, 2008, the City issued \$300,000 in general obligation bonds attributable to the sewer fund for projects completed in the Weston Woods Subdivision. The bonds bear interest at rates ranging from 5.5 percent to 5.75 percent per annum and mature on December 1, 2028.

Principal and interest paid for the current year was \$20,000 and \$7,475, respectively, paid from the sewer fund.

Loan Payable Agreement

On July 8, 2020, the City entered into a \$110,000 loan payable purchase agreement to purchase 20.93 acres of property located at E. Garfield, Lot 39 NW, known as the Draucker Property. The City paid \$60,000 at closing for a total purchase price of \$170,000. The loan is to be paid in four annual payments and bears an interest rate of 2.5%. Principal and interest paid for the current year was \$27,500 and \$1,375, respectively, paid from the general fund.

On July 19, 2021, the City entered into a \$833,280 loan payable purchase agreement to purchase 83.328 acres of property located on Page Road known as the Pennock Property. The loan is to be paid in five annual payments and bears an interest rate of 3.5%. Principal and interest paid for the current year was \$143,227 and \$15,571, respectively, paid from the general fund.

The loan payable agreements are considered direct borrowing agreements that have terms negotiated directly between the City and the creditor.

Notes Payable

On July 8, 2020, the City entered into a \$510,000 a notes payable obligation to finance the purchase of equipment. The notes payable is to be paid in three annual payments and bears an interest rate of 2.03%. Principal and interest paid for the current year was \$173,073 and \$3,513, respectively, paid from the street construction maintenance and repair fund (a nonmajor governmental fund). The City fulfilled this debt obligation during 2023.

The notes payable is considered a direct borrowing. Direct borrowings have terms negotiated directly between the City and the lender and are not offered for public sale. If a lease payment or any other amount due is eleven (11) days or more late, than the creditor without further demand or notice, will be assessed a late charge equal to 5% of the late payment, but not to exceed the maximum amount allowed by law.

Ohio Water Development Authority (OWDA) Loans

The City has pledged future sewer revenues to repay OWDA loans. The loans are payable solely from sewer fund revenues and are payable through 2053. Annual principal and interest payments on the loans are expected to require 117.38 percent of net revenues and 3.53 percent of total revenues. The principal and interest remaining to be paid on the loans are \$6,334,248 and \$1,448, respectively. Principal and interest paid by the sewer fund in the current year was \$98,597 and \$24,410, respectively, total net revenues were \$104,798, and total revenues were \$3,489,000.

During 2021, the City entered into another OWDA loan agreement for central sludge digestion and storage water pollution control. The City received \$940,732 in loan proceeds during 2023 relating to this loan. The loan carries an interest rate of 0.74% and had an outstanding balance of \$6,319,831 at December 31, 2023. As the loan is still open, an amortization schedule was not available at December 31, 2023 and is not included in the amortization schedule presented below.

OWDA loans are direct borrowings that have terms negotiated directly between the City and the OWDA and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)

Ohio Public Works Commission (OPWC) Loans

The City has OPWC loans for various construction projects. The loans are zero interest loans and are payable through 2044 by the road and bridge levy fund (a nonmajor governmental fund) the water fund and the sewer fund. The loans in the water and sewer funds are payable from water and sewer fund revenues.

OPWC loans are direct borrowings that have terms negotiated directly between the County and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the County for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the County is located to pay the amount of the default from funds that would otherwise be appropriated to the County from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

Future Debt Service Requirements

The remaining commitments under long-term bonds and loans are as follows for governmental activities:

Year Ending December 31,	G. O. Bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 335,000	\$ 52,038	\$ 387,038	\$ 35,014	\$ -	\$ 35,014
2025	345,000	40,312	385,312	30,920	-	30,920
2026	360,000	27,375	387,375	30,920	-	30,920
2027	370,000	13,875	383,875	-	-	-
Total	<u>\$ 1,410,000</u>	<u>\$ 133,600</u>	<u>\$ 1,543,600</u>	<u>\$ 96,854</u>	<u>\$ -</u>	<u>\$ 96,854</u>

Year Ending December 31,	Loan Payable Agreements		
	Principal	Interest	Total
2024	\$ 175,740	\$ 11,246	\$ 186,986
2025	153,429	5,370	158,799
Total	<u>\$ 329,169</u>	<u>\$ 16,616</u>	<u>\$ 345,785</u>

The remaining commitments under long-term bonds and loans are as follows for business-type activities:

Year Ending December 31,	OWDA Loans			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 2,203	\$ 416	\$ 2,619	\$ 20,082	\$ -	\$ 20,082
2025	2,280	349	2,629	20,080	-	20,080
2026	2,358	280	2,638	20,082	-	20,082
2027	2,440	209	2,649	7,670	-	7,670
2028	2,524	135	2,659	7,669	-	7,669
2029-2033	2,612	59	2,671	38,349	-	38,349
2034-2038	-	-	-	38,349	-	38,349
2039-2043	-	-	-	38,348	-	38,348
2044	-	-	-	3,835	-	3,835
Total	<u>\$ 14,417</u>	<u>\$ 1,448</u>	<u>\$ 15,865</u>	<u>\$ 194,464</u>	<u>\$ -</u>	<u>\$ 194,464</u>

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)

Year Ending December 31,	G. O. Bonds		
	Principal	Interest	Total
2024	\$ 20,000	\$ 6,325	\$ 26,325
2025	20,000	5,175	25,175
2026	20,000	4,025	24,025
2027	25,000	2,875	27,875
2028	25,000	1,438	26,438
Total	<u>\$ 110,000</u>	<u>\$ 19,838</u>	<u>\$ 129,838</u>

Legal Debt Margin

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of the property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City’s legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City’s legal debt margin excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2023, the City’s voted debt margin was \$89,152,039 and the unvoted debt margin was \$47,184,428.

NOTE 9 - COMPENSATED ABSENCES

Vacation leave is earned at rates that vary depending upon length of service and standard workweek, unless otherwise agreed to. Vacation leave cannot be accumulated and must be used or will be lost at the end of each year. City employees are paid for earned, unused vacation leave at the time of termination of employment.

A permanent full-time employee working a normal forty-hour average workweek shall accrue sick leave at the rate of 1.25 workdays for each full calendar month of service. There is no limit as to the accumulation of sick leave days. Upon retirement from the City, each employee working a normal forty-hour workweek shall receive the lesser of ninety working days of pay, except those in the service union receive the lesser of eighty working days, or a formula established by the City’s employee ordinance. Permanent full-time firefighters working a fifty-three hour average workweek shall earn sick leave at a rate of fourteen hours for each full calendar month of service.

Eligible employees can also earn compensatory time in accordance with City policy. Applicable employees can receive a compensatory time payout at will, which is based upon the balance of unused compensatory time multiplied by the rate of pay at the time of the payout.

NOTE 10 - RISK MANAGEMENT

The City 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 natural disasters. The City contracted with HCC Companies (HCC) for blanket property liability, general liability and excess general liability coverage for \$54,897,566, \$1,000,000 and \$4,000,000, respectively.

Law enforcement liability is provided by HCC with a \$5,000 deductible for \$1,000,000 in coverage for each person/occurrence. Vehicles are also covered by HCC and hold a \$1,000 deductible for comprehensive and a \$1,000 deductible for collision. Automobile liability has \$1,000,000 combined single limit of liability.

Cyber liability is provided by Travelers Casualty & Surety Company of America with a \$10,000 deductible for \$1,000,000 in coverage for each person/ occurrence.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 10 - RISK MANAGEMENT - (Continued)

Unmanned aircraft systems (drone) liability is provided by American Alternative Insurance Corporation for \$1,000,000 in liability coverage.

Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

The City provides a self-funded health insurance program through United Health Care, with claims processed by UMR on behalf of the City. The City uses the general fund to account for its risk financing and the City's claims liability is reflected within the general fund at year end.

As an integral part of the health insurance program, a reinsurance policy has been purchased covering claims in excess of \$85,000 per individual per year.

Settled claims have not exceeded the commercial coverage limits in any of the past three years.

Total contributions to the health insurance program during 2023 were \$2,759,697. The claims liability of \$109,617 reported on the statement of net position at December 31, 2023 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30 "Risk Financing Omnibus", which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claims liability amount for the last two years are as follows:

	Balance at Beginning <u>of Year</u>	Current <u>Claims</u>	Claims <u>Payments</u>	Balance at End <u>of Year</u>
2023	\$ 159,577	\$ (2,809,657)	\$ 2,759,697	\$ 109,617
2022	189,483	(1,709,067)	1,679,161	159,577

The City continues to carry commercial insurance for other risks of loss, including vision insurance, life insurance and accidental death insurance for most employees. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 11 - ASSET RETIREMENT OBLIGATION

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their treatment systems to the Ohio EPA for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with their treatment plants. At this time, the City does not have an approved permit from the Ohio EPA to dispose of all or part of their treatment plans. Due to the lack of specific legal requirements for retiring the treatment plants, the City has determined that the amount of the Asset Retirement Obligation cannot be reasonably estimated.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Asset and Net OPEB Liability

The net pension liability/asset and the net OPEB liability reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions and OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability/asset and the net OPEB liability represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability/asset is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability/asset on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 13 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group.

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local	
	Traditional	Combined
2023 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2023 Actual Contribution Rates		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$853,846 for 2023. Of this amount, \$96,079 is reported as due to other governments.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.50% for each of the first 20 years of service credit, 2.00% for each of the next five years of service credit and 1.50% for each year of service credit in excess of 25 years. The maximum pension of 72.00% of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, statutory survivors and annuity beneficiaries. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.00% of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.00% or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>Police</u>	<u>Firefighters</u>
2023 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2023 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50 %	0.50 %
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,146,101 for 2023. Of this amount, \$145,948 is reported as due to other governments.

Net Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net pension liability or asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	<u>OPERS - Traditional</u>	<u>OPERS - Combined</u>	<u>OPERS - Member- Directed</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.034304%	0.083890%	0.020979%	0.181218%	
Proportion of the net pension liability/asset current measurement date	<u>0.034730%</u>	<u>0.088588%</u>	<u>0.017864%</u>	<u>0.185958%</u>	
Change in proportionate share	<u>0.000426%</u>	<u>0.004698%</u>	<u>-0.003115%</u>	<u>0.004740%</u>	
Proportionate share of the net pension liability	\$ 10,259,258	\$ -	\$ -	\$ 17,664,169	\$ 27,923,427
Proportionate share of the net pension asset	-	(208,793)	(1,397)	-	(210,190)
Pension expense	1,559,605	26,770	(135)	2,312,261	3,898,501

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
Deferred outflows of resources					
Differences between expected and actual experience	\$ 340,770	\$ 12,836	\$ 4,019	\$ 264,958	\$ 622,583
Net difference between projected and actual earnings on pension plan investments	2,924,212	76,092	656	2,571,688	5,572,648
Changes of assumptions	108,382	13,825	87	1,593,246	1,715,540
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	52,680	-	-	470,253	522,933
Contributions subsequent to the measurement date	788,861	48,556	16,429	1,146,101	1,999,947
Total deferred outflows of resources	<u>\$ 4,214,905</u>	<u>\$ 151,309</u>	<u>\$ 21,191</u>	<u>\$ 6,046,246</u>	<u>\$ 10,433,651</u>
Deferred inflows of resources					
Differences between expected and actual experience	\$ -	\$ 29,828	\$ -	\$ 402,441	\$ 432,269
Changes of assumptions	-	-	-	344,447	344,447
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	17,751	-	-	120,484	138,235
Total deferred inflows of resources	<u>\$ 17,751</u>	<u>\$ 29,828</u>	<u>\$ -</u>	<u>\$ 867,372</u>	<u>\$ 914,951</u>

\$1,999,947 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability/asset in the year ending December 31, 2024.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	OP&F	Total
2024	\$ 424,802	\$ 3,092	\$ 670	\$ 453,584	\$ 882,148
2025	690,270	14,000	717	987,739	1,692,726
2026	860,738	19,422	725	1,074,046	1,954,931
2027	1,432,483	32,762	823	1,515,057	2,981,125
2028	-	(89)	477	2,347	2,735
Thereafter	-	3,738	1,350	-	5,088
Total	\$ 3,408,293	\$ 72,925	\$ 4,762	\$ 4,032,773	\$ 7,518,753

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00 %</u>	

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan'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 for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Sensitivity of the City's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate -
The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 15,368,025	\$ 10,259,258	\$ 6,009,679
Combined Plan	(108,963)	(208,793)	(287,911)
Member-Directed Plan	(893)	(1,397)	(1,786)

Actuarial Assumptions - OP&F

OP&F's total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing retirement plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Experience study assumptions were performed by OP&F's prior actuary and completed as of December 31, 2016. Changes in demographic and economic actuarial assumptions were made. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth. The changes in assumptions are being amortized over the estimated remaining useful live of the participants which was 5.81 years at December 31, 2022.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2022, compared to December 31, 2021, are presented below.

Valuation date	1/1/22 with actuarial liabilities rolled forward to 12/31/22
Actuarial cost method	Entry age normal (level percent of payroll)
Investment rate of return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% per year simple

Health Mortality

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Disabled Mortality

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Contingent Annuitant Mortality

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

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 by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return **
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
Total	125.00 %	

Note: assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate - The total pension liability was calculated using the discount rate of 7.50%. A discount rate of 7.50% was used in the previous measurement date. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 23,302,448	\$ 17,664,169	\$ 12,977,068

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

See Note 12 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$14,664 for 2023. Of this amount, \$1,650 is reported as due to other governments.

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.50% and 24.00% of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.50% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City’s contractually required contribution to OP&F was \$27,284 for 2023. Of this amount, \$3,474 is reported as due to other governments.

Net OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F’s total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.035222%	0.181218%	
Proportion of the net OPEB liability current measurement date	<u>0.035552%</u>	<u>0.185958%</u>	
Change in proportionate share	<u>0.000330%</u>	<u>0.004740%</u>	
Proportionate share of the net OPEB liability	\$ 224,161	\$ 1,323,964	\$ 1,548,125
OPEB expense	(392,187)	132,297	(259,890)

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 79,007	\$ 79,007
Net difference between projected and actual earnings on OPEB plan investments	445,195	113,555	558,750
Changes of assumptions	218,944	659,788	878,732
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	1,772	144,450	146,222
Contributions subsequent to the measurement date	14,664	27,284	41,948
Total deferred outflows of resources	<u>\$ 680,575</u>	<u>\$ 1,024,084</u>	<u>\$ 1,704,659</u>
	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 55,915	\$ 261,056	\$ 316,971
Changes of assumptions	18,016	1,082,896	1,100,912
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	9,818	64,091	73,909
Total deferred inflows of resources	<u>\$ 83,749</u>	<u>\$ 1,408,043</u>	<u>\$ 1,491,792</u>

\$41,948 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2024.

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

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Year Ending December 31:	OPERS	OP&F	Total
2024	\$ 66,722	\$ 4,341	\$ 71,063
2025	161,549	8,042	169,591
2026	138,825	(50,783)	88,042
2027	215,066	(20,964)	194,102
2028	-	(98,933)	(98,933)
Thereafter	-	(252,946)	(252,946)
Total	\$ 582,162	\$ (411,243)	\$ 170,919

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75%
Prior Measurement date	2.75 to 10.75%
including wage inflation	
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6% for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	<u>100.00 %</u>	

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Discount Rate - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability/(asset)	\$ 762,946	\$ 224,161	\$ (220,422)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 210,112	\$ 224,161	\$ 239,976

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - OP&F

OP&F's total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	
Current measurement date	7.50%
Prior measurement date	7.50%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	3.25%
Single discount rate:	
Current measurement date	4.27%
Prior measurement date	2.84%
Cost of Living Adjustments	2.20% simple per year

Health Mortality

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Disabled Mortality

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Contingent Annuitant Mortality

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131% for females. All rates are projected using the MP-2021 Improvement Scale.

Pre-Retirement Mortality

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F’s Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2022, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return **</u>
Cash and cash equivalents	0.00 %	0.00 %
Domestic equity	18.60	4.80
Non-US equity	12.40	5.50
Private markets	10.00	7.90
Core fixed income *	25.00	2.50
High yield fixed income	7.00	4.40
Private credit	5.00	5.90
U.S. inflation linked bonds *	15.00	2.00
Midstream energy infrastructure	5.00	5.90
Real assets	8.00	5.90
Gold	5.00	3.60
Private real estate	12.00	5.30
Commodities	2.00	3.60
Total	<u>125.00 %</u>	

Note: assumptions are geometric.

* levered 2x

** Numbers are net of expected inflation.

OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Discount Rate - For 2022, the total OPEB liability was calculated using the discount rate of 4.27%. For 2021, the total OPEB liability was calculated using the discount rate of 2.84%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2035 and the Municipal Bond Index Rate of 3.65% was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27%.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.27%), or one percentage point higher (5.27%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 1,630,338	\$ 1,323,964	\$ 1,065,306

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

The statements of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

CITY OF AURORA, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

	<u>General Fund</u>
Budget basis	\$ (2,161,578)
Net adjustment for revenue accruals	1,522,727
Net adjustment for expenditure accruals	380,989
Net adjustment for other sources/uses	(18,865)
Funds budgeted elsewhere	(10,901)
Adjustment for encumbrances	<u>710,823</u>
GAAP basis	<u>\$ 423,195</u>

Certain funds that are legally budgeted in separate fund classifications by the City are considered part of the general fund on a GAAP basis. This includes the medical reserve fund, the unclaimed monies fund, the developer's escrow fund, and the performance deposits funds.

NOTE 15 - CONTINGENCIES

A. Grants

The City received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2023.

B. Litigation

At December 31, 2023, the City was not involved in any pending litigation that would potentially have a material adverse effect on the City's financial position.

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 16 - CONTRACTUAL COMMITMENTS

As a result of various capital projects that were in progress at year end, the City had the following outstanding contractual commitments at December 31, 2023:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Amount Expended</u>	<u>Amount Outstanding</u>
Cold Harbon Building	\$ 8,580,000	\$ (8,330,111)	\$ 249,889
Stantec Consulting Services, Inc.	977,950	(934,699)	43,251
Rosenbauer Minnesota LLC	931,234	(400,000)	531,234
Bissnuss, Inc.	567,545	(154,785)	412,760
Matt Winters Excavation LLC	489,859	(166,954)	322,905
Environmental Design Group	323,792	(119,529)	204,263
Ronyak Paving	317,427	(257,914)	59,513
Horton Emergency Vehicles Company	315,034	(200,000)	115,034
Gardiner	259,712	(177,390)	82,322
CT Consultants, Inc.	150,000	-	150,000
Hejduk-Cox and Associates	130,192	(104,975)	25,217
R20 Consulting	169,143	(63,190)	105,953
The Osborn Engineering Company	82,410	(49,878)	32,532
Burgess & Niple, Inc.	49,900	(21,193)	28,707
Ohio Edison	39,948	(38,632)	1,316
Charles P Braman & Co, Inc.	24,900	-	24,900
Glaus, Pyle, Schomer, Burns & Dehaven, Inc.	15,500	(369)	15,131
Davey Resource Group, Inc.	12,110	(7,660)	4,450
Software Solutions, Inc.	5,625	-	5,625
Total Contractual Commitments	<u>\$ 13,442,281</u>	<u>\$ (11,027,279)</u>	<u>\$ 2,415,002</u>

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CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 17 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all nonmajor governmental funds are presented below:

Fund Balance	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Prepayments	\$ 221,671	\$ 60,290	\$ 30,225	\$ 312,186
Materials and supplies inventory	87,350	-	44,400	131,750
Unclaimed monies	<u>5,713</u>	<u>-</u>	<u>-</u>	<u>5,713</u>
Total nonspendable	<u>314,734</u>	<u>60,290</u>	<u>74,625</u>	<u>449,649</u>
Restricted:				
Capital projects	-	-	6,902	6,902
Debt service	-	-	482,677	482,677
Transportation projects	-	-	1,151,774	1,151,774
Community environment	-	-	632,756	632,756
Security of persons and property	-	-	702,893	702,893
Other purposes	<u>-</u>	<u>-</u>	<u>50,944</u>	<u>50,944</u>
Total restricted	<u>-</u>	<u>-</u>	<u>3,027,946</u>	<u>3,027,946</u>
Committed:				
Capital projects	-	6,824,540	305,136	7,129,676
General government	8,931	-	-	8,931
Security of persons and property	266	-	-	266
Transportation projects	351,011	-	-	351,011
Community environment	16,010	-	-	16,010
Leisure time activities	-	-	351,390	351,390
Medical reserve	750,000	-	-	750,000
Other purposes	<u>-</u>	<u>-</u>	<u>5,686</u>	<u>5,686</u>
Total committed	<u>1,126,218</u>	<u>6,824,540</u>	<u>662,212</u>	<u>8,612,970</u>
Assigned:				
Capital projects	-	-	5,099,933	5,099,933
General government	30,416	-	-	30,416
Security of persons and property	54,476	-	-	54,476
Transportation projects	82,483	-	-	82,483
Community environment	87,518	-	-	87,518
Capital outlay	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>1,200</u>
Total assigned	<u>256,093</u>	<u>-</u>	<u>5,099,933</u>	<u>5,356,026</u>
Unassigned	<u>14,677,194</u>	<u>-</u>	<u>-</u>	<u>14,677,194</u>
Total fund balances	<u>\$ 16,374,239</u>	<u>\$ 6,884,830</u>	<u>\$ 8,864,716</u>	<u>\$ 32,123,785</u>

CITY OF AURORA, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 18 - OTHER COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City’s commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year End</u> <u>Encumbrances</u>
General fund	\$ 712,742
Capital improvements fund	997,378
Nonmajor governmental funds	<u>643,350</u>
Total	<u>\$ 2,353,470</u>

NOTE 19 - TAX ABATEMENTS

As of December 31, 2023, the City provides tax abatements through the Community Reinvestment Area (CRA) program. This program relates to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA’s are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity’s property tax bill. The City has no “clawback” provisions to recapture abated taxes, however a review board annually evaluates future status of each CRA. The total value of the City’s share of taxes abated for 2023 was \$77,568.

NOTE 20 - JOINTLY GOVERNED ORGANIZATION

City of Aurora Joint Economic Development District (JEDD)

The City of Aurora has entered into a contractual agreement effective October 29, 2020 with Bainbridge Township to facilitate economic development, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State of Ohio, the City, the Township and the JEDD. The JEDD is administered by a five member Board of Directors consisting of one member representing the City, one member representing the Township, one member representing the owners of businesses located in the JEDD, one member representing persons working within the JEDD, and one member who shall serve as the chairperson who selected by the other four members. The initial term of the agreement is for a period of fifty years from the effective date and shall automatically renew for two additional twenty-five year terms. The Board of Directors has entered into an agreement with the City of Aurora to administer, collect and enforce the income tax on behalf of the JEDD at no cost to the JEDD. The City shall pay two percent of the gross income tax into escrow. Upon termination of the contractual agreement, any property, asset and obligations of the JEDD shall be divided equally between the parties, except that any items of infrastructure constructed by or for anybody shall be retained by that party. The JEDD had no activity during 2023.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.034730%	0.034304%	0.034062%	0.033790%
City's proportionate share of the net pension liability	\$ 10,259,258	\$ 2,984,587	\$ 5,043,841	\$ 6,678,822
City's covered payroll	\$ 5,184,971	\$ 4,989,814	\$ 4,887,829	\$ 4,771,779
City's proportionate share of the net pension liability as a percentage of its covered payroll	197.87%	59.81%	103.19%	139.97%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	92.62%	86.88%	82.17%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.088588%	0.083890%	0.093960%	0.076615%
City's proportionate share of the net pension asset	\$ 208,793	\$ 330,532	\$ 271,228	\$ 159,761
City's covered payroll	\$ 412,257	\$ 382,450	\$ 404,379	\$ 350,764
City's proportionate share of the net pension asset as a percentage of its covered payroll	50.65%	86.42%	67.07%	45.55%
Plan fiduciary net position as a percentage of the total pension asset	137.14%	169.88%	157.67%	145.28%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.017864%	0.020979%	0.036231%	0.046466%
City's proportionate share of the net pension asset	\$ 1,397	\$ 3,809	\$ 6,605	\$ 1,756
City's covered payroll	\$ 121,090	\$ 131,970	\$ 217,590	\$ 270,210
City's proportionate share of the net pension asset as a percentage of its covered payroll	1.15%	2.89%	3.04%	0.65%
Plan fiduciary net position as a percentage of the total pension asset	126.74%	171.84%	188.21%	118.84%

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	2019	2018	2017	2016	2015	2014
	0.034753%	0.034062%	0.033195%	0.034542%	0.035408%	0.035408%
\$	9,518,142	\$ 5,343,667	\$ 7,538,019	\$ 5,983,109	\$ 4,270,601	\$ 4,174,143
\$	4,712,157	\$ 4,509,446	\$ 4,311,208	\$ 4,336,775	\$ 4,352,192	\$ 4,267,338
	201.99%	118.50%	174.85%	137.96%	98.13%	97.82%
	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
	0.057809%	0.037299%	0.038438%	0.044830%	0.042465%	0.042465%
\$	64,644	\$ 50,777	\$ 21,394	\$ 21,815	\$ 16,351	\$ 4,457
\$	247,243	\$ 152,754	\$ 149,625	\$ 149,883	\$ 155,225	\$ 135,769
	26.15%	33.24%	14.30%	14.55%	10.53%	3.28%
	126.64%	137.28%	116.55%	116.90%	114.83%	104.56%
	0.037872%	0.038558%	0.040272%	0.035117%	n/a	n/a
\$	863	\$ 1,346	\$ 168	\$ 134	n/a	n/a
\$	216,490	\$ 211,330	\$ 164,692	\$ 185,967	n/a	n/a
	0.40%	0.64%	0.10%	0.07%	n/a	n/a
	113.42%	124.45%	103.40%	103.91%	n/a	n/a

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net pension liability	0.185958%	0.181218%	0.179679%	0.175178%
City's proportionate share of the net pension liability	\$ 17,664,169	\$ 11,321,446	\$ 12,248,892	\$ 11,800,919
City's covered payroll	\$ 4,893,934	\$ 4,701,010	\$ 4,493,187	\$ 4,238,870
City's proportionate share of the net pension liability as a percentage of its covered payroll	360.94%	240.83%	272.61%	278.40%
Plan fiduciary net position as a percentage of the total pension liability	62.90%	75.03%	70.65%	69.89%

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.182092%	0.184875%	0.177907%	0.185601%	0.180675%	0.180675%
\$ 14,863,519	\$ 11,346,614	\$ 11,268,412	\$ 11,939,871	\$ 9,359,693	\$ 8,799,414
\$ 4,177,711	\$ 4,086,961	\$ 3,892,507	\$ 3,814,159	\$ 3,629,439	\$ 3,605,323
355.78%	277.63%	289.49%	313.04%	257.88%	244.07%
63.07%	70.91%	68.36%	66.77%	72.20%	73.00%

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 788,861	\$ 725,896	\$ 698,574	\$ 684,296
Contributions in relation to the contractually required contribution	<u>(788,861)</u>	<u>(725,896)</u>	<u>(698,574)</u>	<u>(684,296)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 5,634,721	\$ 5,184,971	\$ 4,989,814	\$ 4,887,829
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 48,556	\$ 57,716	\$ 53,543	\$ 56,613
Contributions in relation to the contractually required contribution	<u>(48,556)</u>	<u>(57,716)</u>	<u>(53,543)</u>	<u>(56,613)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 404,633	\$ 412,257	\$ 382,450	\$ 404,379
Contributions as a percentage of covered payroll	12.00%	14.00%	14.00%	14.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 16,429	\$ 12,109	\$ 13,187	\$ 21,759
Contributions in relation to the contractually required contribution	<u>(16,429)</u>	<u>(12,109)</u>	<u>(13,187)</u>	<u>(21,759)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 164,290	\$ 121,090	\$ 131,870	\$ 217,590
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 668,049	\$ 659,702	\$ 586,228	\$ 517,345	\$ 520,413	\$ 522,263
<u>(668,049)</u>	<u>(659,702)</u>	<u>(586,228)</u>	<u>(517,345)</u>	<u>(520,413)</u>	<u>(522,263)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,771,779	\$ 4,712,157	\$ 4,509,446	\$ 4,311,208	\$ 4,336,775	\$ 4,352,192
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$ 49,107	\$ 34,614	\$ 19,858	\$ 17,955	\$ 17,986	\$ 18,627
<u>(49,107)</u>	<u>(34,614)</u>	<u>(19,858)</u>	<u>(17,955)</u>	<u>(17,986)</u>	<u>(18,627)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 350,764	\$ 247,243	\$ 152,754	\$ 149,625	\$ 149,883	\$ 155,225
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
\$ 27,021	\$ 21,649	\$ 21,133	\$ 19,763	\$ 22,316	
<u>(27,021)</u>	<u>(21,649)</u>	<u>(21,133)</u>	<u>(19,763)</u>	<u>(22,316)</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 270,210	\$ 216,490	\$ 211,330	\$ 164,692	\$ 185,967	
10.00%	10.00%	10.00%	12.00%	12.00%	

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY PENSION CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Police:</i>				
Contractually required contribution	\$ 575,314	\$ 520,830	\$ 511,304	\$ 487,924
Contributions in relation to the contractually required contribution	<u>(575,314)</u>	<u>(520,830)</u>	<u>(511,304)</u>	<u>(487,924)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,027,968	\$ 2,741,211	\$ 2,691,074	\$ 2,568,021
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 570,787	\$ 505,890	\$ 472,335	\$ 452,414
Contributions in relation to the contractually required contribution	<u>(570,787)</u>	<u>(505,890)</u>	<u>(472,335)</u>	<u>(452,414)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,428,881	\$ 2,152,723	\$ 2,009,936	\$ 1,925,166
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 460,034	\$ 452,567	\$ 443,531	\$ 419,693	\$ 410,562	\$ 397,616
<u>(460,034)</u>	<u>(452,567)</u>	<u>(443,531)</u>	<u>(419,693)</u>	<u>(410,562)</u>	<u>(397,616)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,421,232	\$ 2,381,932	\$ 2,334,374	\$ 2,208,911	\$ 2,160,853	\$ 2,092,716
19.00%	19.00%	19.00%	19.00%	19.00%	19.00%
\$ 427,145	\$ 422,008	\$ 411,858	\$ 395,645	\$ 388,527	\$ 361,130
<u>(427,145)</u>	<u>(422,008)</u>	<u>(411,858)</u>	<u>(395,645)</u>	<u>(388,527)</u>	<u>(361,130)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,817,638	\$ 1,795,779	\$ 1,752,587	\$ 1,683,596	\$ 1,653,306	\$ 1,536,723
23.50%	23.50%	23.50%	23.50%	23.50%	23.50%

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/NET OPEB ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST SEVEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net OPEB liability/asset	0.035552%	0.035222%	0.035898%	0.035554%
City's proportionate share of the net OPEB liability/(asset)	\$ 224,161	\$ (1,103,207)	\$ (639,552)	\$ 4,910,931
City's covered payroll	\$ 5,718,318	\$ 5,504,134	\$ 5,509,798	\$ 5,392,753
City's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	3.92%	20.04%	11.61%	91.07%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	94.79%	128.23%	115.57%	47.80%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.035559%	0.034350%	0.033528%
\$ 4,636,055	\$ 3,730,157	\$ 3,386,413
\$ 5,175,890	\$ 4,873,530	\$ 4,625,525
89.57%	76.54%	73.21%
46.33%	54.14%	54.05%

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST SEVEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net OPEB liability	0.185958%	0.181218%	0.179679%	0.175178%
City's proportionate share of the net OPEB liability	\$ 1,323,964	\$ 1,986,304	\$ 1,903,730	\$ 1,730,360
City's covered payroll	\$ 4,893,934	\$ 4,701,010	\$ 4,493,187	\$ 4,238,870
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	27.05%	42.25%	42.37%	40.82%
Plan fiduciary net position as a percentage of the total OPEB liability	52.59%	46.86%	45.42%	47.08%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the City's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.182092%	0.184875%	0.177907%
\$ 1,658,227	\$ 10,474,752	\$ 8,444,845
\$ 4,177,711	\$ 4,086,961	\$ 3,892,507
39.69%	256.30%	216.95%
46.57%	14.13%	15.96%

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 14,664	\$ 4,844	\$ 5,275	\$ 8,704
Contributions in relation to the contractually required contribution	<u>(14,664)</u>	<u>(4,844)</u>	<u>(5,275)</u>	<u>(8,704)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 6,203,644	\$ 5,718,318	\$ 5,504,134	\$ 5,509,798
Contributions as a percentage of covered payroll	0.24%	0.08%	0.10%	0.16%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 10,809	\$ 8,660	\$ 55,075	\$ 98,578	\$ 89,734	\$ 89,845
<u>(10,809)</u>	<u>(8,660)</u>	<u>(55,075)</u>	<u>(98,578)</u>	<u>(89,734)</u>	<u>(89,845)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,392,753	\$ 5,175,890	\$ 4,873,530	\$ 4,625,525	\$ 4,672,625	\$ 4,507,417
0.20%	0.17%	1.13%	2.13%	1.92%	1.99%

CITY OF AURORA, OHIO

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY OPEB CONTRIBUTIONS
OHIO POLICE AND FIRE (OP&F) PENSION FUND

LAST TEN YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>Police:</i>				
Contractually required contribution	\$ 15,140	\$ 13,706	\$ 13,455	\$ 12,840
Contributions in relation to the contractually required contribution	<u>(15,140)</u>	<u>(13,706)</u>	<u>(13,455)</u>	<u>(12,840)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 3,027,968	\$ 2,741,211	\$ 2,691,074	\$ 2,568,021
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 12,144	\$ 10,764	\$ 10,050	\$ 9,626
Contributions in relation to the contractually required contribution	<u>(12,144)</u>	<u>(10,764)</u>	<u>(10,050)</u>	<u>(9,626)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,428,881	\$ 2,152,723	\$ 2,009,936	\$ 1,925,166
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 12,106	\$ 11,910	\$ 11,672	\$ 11,045	\$ 11,096	\$ 10,430
<u>(12,106)</u>	<u>(11,910)</u>	<u>(11,672)</u>	<u>(11,045)</u>	<u>(11,096)</u>	<u>(10,430)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,421,232	\$ 2,381,932	\$ 2,334,374	\$ 2,208,911	\$ 2,160,853	\$ 2,092,716
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
\$ 9,088	\$ 8,979	\$ 8,763	\$ 8,418	\$ 8,267	\$ 7,651
<u>(9,088)</u>	<u>(8,979)</u>	<u>(8,763)</u>	<u>(8,418)</u>	<u>(8,267)</u>	<u>(7,651)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,817,638	\$ 1,795,779	\$ 1,752,587	\$ 1,683,596	\$ 1,653,306	\$ 1,536,723
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

CITY OF AURORA, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014-2023.

Changes in assumptions :

- There were no changes in assumptions for 2014-2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020-2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed from 0.50%, simple through 2021, then 2.15% simple to 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- There were no changes in assumptions for 2023.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2014-2023.

Changes in assumptions :

- There were no changes in assumptions for 2014-2017.
- For 2018, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.25% down to 8.00%, (b) changing the future salary increases from a range of 4.25%-11.00% to 3.75%-10.50%, (c) reduction in payroll increases from 3.75% down to 3.25%, (d) reduction in inflation assumptions from 3.25% down to 2.75% and (e) Cost of Living Adjustments (COLA) were reduced from 2.60% and 3.00% simple to 2.20% and 3.00% simple.
- There were no changes in assumptions for 2019-2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the actuarially assumed rate of return was changed from 8.00% to 7.50%.
- For 2023, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

(Continued)

CITY OF AURORA, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017-2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care Plan. These changes are effective January 1, 2022 and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022-2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% down to 3.16%, (b) the municipal bond rate was decreased from 3.71% down to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% down to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

(Continued)

CITY OF AURORA, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017-2018.
- For 2019, OP&F changed its retiree health care model from a self-insured health care plan to a stipend-based health care model.
- There were no changes in benefit terms from the amounts reported for 2020-2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) DROP interest rate was reduced from 4.50% to 4.00%, (b) CPI-based COLA was reduced from 2.60% to 2.20%, (c) investment rate of return was reduced from 8.25% to 8.00%, (d) salary increases were reduced from 3.75% to 3.25% and (e) payroll growth was reduced from 3.75% to 3.25%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.24% up to 4.66%.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 4.66% down to 3.56%.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.56% down to 2.96%.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the investment rate of return was changed from 8.00% to 7.50% and (b) the discount rate was changed from 2.96% to 2.84%.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was changed from 2.84% to 4.27% and (b) the mortality rates were changed from the RP-2014 Total Employee and Healthy Annuitant mortality tables to various Pub-2010 mortality tables using the MP-2021 Improvement Scale.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF AURORA, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

GENERAL FUND

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according the general laws of Ohio.

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for all specific financial resources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following are the special revenue funds which the City operates:

Nonmajor Special Revenue Funds

Special Assessment

This fund accounts for the collected taxes levied by special assessment where specified improvements were levied to specific taxpayers and expenditures to pay the costs associated with collection and payment.

Capital FEMA Grant

This fund was established to record and monitor Federal Emergency Management Association (FEMA) grant dollars.

Local Coronavirus Relief

This fund accounts for grants provided by the Coronavirus Aid, Relief and Economic Security Act (CARES) Act to support the City's response to the COVID-19 pandemic.

Community Housing Improvement (CHIP)

This fund accounts for funding from the CHIP program to provide funding to improve and provide affordable housing for low and moderate income citizens and strengthening neighborhoods through community collaboration.

Police Wireless 911

This fund accounts for a tax included on cell phone bills which was remitted to the City and required to be spent on equipment necessary to locate mobile 911 calls.

Ohio Police Office Training

This fund accounts for grant dollars restricted for police officer training expenditures.

Parks and Lake

This fund accounts for donations and grants related to the City's park and lake properties.

Parks and Recreation Sponsorship

This fund accounts for sponsorship donations to recreation teams.

Road and Bridge Levy

This fund accounts for tax monies and expenditures restricted to roads and bridges.

Police Levy

This fund accounts for tax monies and expenditures restricted to police activities.

Fire Levy

This fund accounts for tax monies and expenditures restricted to fire activities.

CITY OF AURORA, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS (CONTINUED)

Nonmajor Special Revenue Funds (Continued)

Fire Paramedic Levy

This fund accounts for tax monies and expenditures restricted to fire paramedic activities.

Street Construction Maintenance & Repair

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

State Highway Improvement

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the state highways within the City.

Sunny Lake Oil Royalties

This fund accounts for revenues obtained from oil and gas wells at the Sunny Lake Park.

DWI Law Enforcement

This fund accounts for fines designated to subsidize each agency's law enforcement effort that pertain to DWI offenses.

Police Contraband Sales

This fund accounts for receipts from the sale of items seized and forfeited to the City.

Drug Fines Enforcement & Education

This fund accounts for fines designated to subsidize each agency's law enforcement effort that pertain to drug offenses.

Safety Town

This fund accounts for grants and donations to the Safety Town program, as well as corresponding expenditures.

Opioid Settlement

To account for funds received from the OneOhio settlement with national opioid distributors to combat the opioid epidemic within the City.

Recreation

This fund accounts for the Parks & Recreation enterprise activity.

Hotel/Motel

This fund accounts for monies received from hotel lodging taxes collected within the City.

The following funds are included in the general fund (GAAP-basis), but have a separate legally adopted budget (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP-basis); however, the budgetary schedule for these funds are presented in this section.

Medical Reserve

This fund was established to serve as an emergency reserve in case medical claims exceeded the estimated (and budgeted) amount.

Unclaimed Monies

To account for unclaimed funds.

Developer's Escrow

This fund accounts for amounts due to inspectors and engineers and received from developers for construction projects within the City.

Performance Deposits

This fund accounts for deposits from contractors, held by the City to ensure compliance with the contract.

CITY OF AURORA, OHIO

INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

DEBT SERVICE FUND

Nonmajor Debt Service Fund

Bond Retirement

The bond retirement fund accounts for the resources that are used for the payment of principal, interest and other fiscal charges on general obligation debt.

CAPITAL PROJECTS FUNDS

The capital project funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary fund types. Following is a description of the capital project funds:

Major Capital Projects Fund

Capital Improvements

This fund accounts for capital expenditures and acquisitions for the City.

Nonmajor Capital Projects Funds

City Operations

This fund accounts for capital expenditures that will help satisfy future operating needs of the City.

Capital Improvement Public Space

This fund accounts for capital expenditures related to parks and public spaces.

Emergency Capital

This fund was established to serve as an emergency reserve for unexpected capital needs.

Road Programs

This fund accounts for major road capital improvements.

CITY OF AURORA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income taxes	\$ 17,090,000	\$ 17,090,000	\$ 22,423,200	\$ 5,333,200
Real and other taxes	1,801,484	1,801,484	1,805,242	3,758
Other local taxes	330,200	330,200	462,380	132,180
Charges for services	173,646	173,646	157,926	(15,720)
Licenses and permits	367,000	367,000	464,591	97,591
Fines and forfeitures	35,000	35,000	49,582	14,582
Intergovernmental	489,237	489,237	565,090	75,853
Investment income	400,000	400,000	711,683	311,683
Rental income	20,700	20,700	21,791	1,091
Contributions and donations	-	-	10,069	10,069
Other	215,009	215,009	273,706	58,697
Total revenues	<u>20,922,276</u>	<u>20,922,276</u>	<u>26,945,260</u>	<u>6,022,984</u>
Expenditures:				
Current:				
General government				
Mayor	864,426	864,426	829,660	34,766
Finance	1,361,479	1,436,479	1,366,308	70,171
Legal	489,843	499,843	477,516	22,327
Legislative	294,132	299,132	276,447	22,685
Contingencies	261,515	286,383	192,639	93,744
Total general government.	<u>3,271,395</u>	<u>3,386,263</u>	<u>3,142,570</u>	<u>243,693</u>
Security of persons and property				
Police.	6,251,387	6,251,387	6,167,122	84,265
Fire.	4,008,535	4,143,535	4,089,609	53,926
Total security of persons and property	<u>10,259,922</u>	<u>10,394,922</u>	<u>10,256,731</u>	<u>138,191</u>
Transportation				
Service	3,494,713	3,494,713	3,237,337	257,376
Total transportation.	<u>3,494,713</u>	<u>3,494,713</u>	<u>3,237,337</u>	<u>257,376</u>
Community environment				
Engineering	615,353	615,353	552,420	62,933
Planning and zoning	1,088,900	1,136,900	976,058	160,842
Total community environment.	<u>1,704,253</u>	<u>1,752,253</u>	<u>1,528,478</u>	<u>223,775</u>
Contingencies	236,499	281,781	281,781	-
Total Capital outlay	<u>236,499</u>	<u>281,781</u>	<u>281,781</u>	<u>-</u>
Total expenditures.	<u>18,966,782</u>	<u>19,309,932</u>	<u>18,446,897</u>	<u>863,035</u>
Excess of revenues over expenditures.	<u>1,955,494</u>	<u>1,612,344</u>	<u>8,498,363</u>	<u>6,886,019</u>
Other financing sources (uses):				
Sale of capital assets	5,000	5,000	25,301	20,301
Advances in.	50,000	50,000	50,000	-
Advances (out)	-	(50,000)	(50,000)	-
Transfers in.	12,758	12,758	12,758	-
Transfers (out)	(2,390,000)	(10,698,000)	(10,698,000)	-
Total other financing (uses).	<u>(2,322,242)</u>	<u>(10,680,242)</u>	<u>(10,659,941)</u>	<u>20,301</u>
Net change in fund balance	(366,748)	(9,067,898)	(2,161,578)	6,906,320
Unencumbered fund balance at beginning of year.	15,184,957	15,184,957	15,184,957	-
Prior year encumbrances appropriated.	584,475	584,475	584,475	-
Unencumbered fund balance at end of year	<u>\$ 15,402,684</u>	<u>\$ 6,701,534</u>	<u>\$ 13,607,854</u>	<u>\$ 6,906,320</u>

CITY OF AURORA, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MAJOR CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Capital Improvement				
Total revenues and other sources	\$ 773,000	\$ 773,000	\$ 5,135,302	\$ 4,362,302
Total expenditures and other uses.	5,446,722	5,472,882	4,307,622	1,165,260
Net change in fund balances	(4,673,722)	(4,699,882)	827,680	5,527,562
Unencumbered fund balance at beginning of year.	3,841,522	3,841,522	3,841,522	-
Prior year encumbrances appropriated.	1,052,960	1,052,960	1,052,960	-
Unencumbered fund balance at end of year . . .	<u>\$ 220,760</u>	<u>\$ 194,600</u>	<u>\$ 5,722,162</u>	<u>\$ 5,527,562</u>

CITY OF AURORA, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 3,977,533	\$ 482,677	\$ 5,411,971	\$ 9,872,181
Receivables:				
Real and other taxes	1,956,707	395,594	-	2,352,301
Other local taxes	25,179	-	-	25,179
Accounts	70,412	-	-	70,412
Accrued interest.	9,959	-	-	9,959
Special assessments.	4,655	-	-	4,655
Loans	133,320	-	-	133,320
Due from other governments.	694,188	21,167	-	715,355
Prepayments	30,225	-	-	30,225
Materials and supplies inventory	44,400	-	-	44,400
Total assets	<u>\$ 6,946,578</u>	<u>\$ 899,438</u>	<u>\$ 5,411,971</u>	<u>\$ 13,257,987</u>
Liabilities:				
Accounts payable	\$ 47,207	\$ -	\$ -	\$ 47,207
Contracts payable	22,375	-	-	22,375
Retainage payable	12,697	-	-	12,697
Accrued wages and benefits	51,088	-	-	51,088
Due to other governments.	29,746	-	-	29,746
Unearned revenue	1,276,417	-	-	1,276,417
Claims payable	13,862	-	-	13,862
Total liabilities	<u>1,453,392</u>	<u>-</u>	<u>-</u>	<u>1,453,392</u>
Deferred inflows of resources:				
Real and other taxes levied for the next fiscal year	1,903,250	386,054	-	2,289,304
Delinquent property tax revenue not available	46,467	9,540	-	56,007
Accrued interest not available.	5,453	-	-	5,453
Special assessments revenue not available	4,655	-	-	4,655
Intergovernmental revenue not available	550,475	21,167	-	571,642
Other revenue not available.	12,818	-	-	12,818
Total deferred inflows of resources.	<u>2,523,118</u>	<u>416,761</u>	<u>-</u>	<u>2,939,879</u>
Fund Balances:				
Nonspendable	74,625	-	-	74,625
Restricted	2,538,367	482,677	6,902	3,027,946
Committed	357,076	-	305,136	662,212
Assigned	-	-	5,099,933	5,099,933
Total fund balances	<u>2,970,068</u>	<u>482,677</u>	<u>5,411,971</u>	<u>8,864,716</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,946,578</u>	<u>\$ 899,438</u>	<u>\$ 5,411,971</u>	<u>\$ 13,257,987</u>

CITY OF AURORA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Real and other taxes	\$ 1,788,960	\$ 338,485	\$ -	\$ 2,127,445
Other local taxes	53,879	-	-	53,879
Charges for services	528,297	-	-	528,297
Licenses and permits	-	-	97,962	97,962
Fines and forfeitures	11,849	-	-	11,849
Intergovernmental	1,641,864	42,319	-	1,684,183
Investment income	33,595	-	-	33,595
Contributions and donations	10,000	-	-	10,000
Change in fair value of investments	30,945	-	-	30,945
Other	17,297	-	40,020	57,317
Total revenues	<u>4,116,686</u>	<u>380,804</u>	<u>137,982</u>	<u>4,635,472</u>
Expenditures:				
Current:				
General government	83,058	5,872	-	88,930
Security of persons and property	793,880	-	-	793,880
Transportation	409,517	-	-	409,517
Community environment	38,058	-	-	38,058
Leisure time activity	2,461,772	-	-	2,461,772
Capital outlay	2,382,385	-	1,399,290	3,781,675
Debt service:				
Principal retirement	212,180	320,000	-	532,180
Interest and fiscal charges	3,513	63,238	-	66,751
Total expenditures	<u>6,384,363</u>	<u>389,110</u>	<u>1,399,290</u>	<u>8,172,763</u>
Excess of expenditures over revenues	<u>(2,267,677)</u>	<u>(8,306)</u>	<u>(1,261,308)</u>	<u>(3,537,291)</u>
Other financing sources:				
Sale of capital assets	27,000	-	200	27,200
Transfers in	2,312,000	-	3,761,000	6,073,000
Total other financing sources	<u>2,339,000</u>	<u>-</u>	<u>3,761,200</u>	<u>6,100,200</u>
Net change in fund balances	71,323	(8,306)	2,499,892	2,562,909
Fund balances at beginning of year	<u>2,898,745</u>	<u>490,983</u>	<u>2,912,079</u>	<u>6,301,807</u>
Fund balances at end of year	<u>\$ 2,970,068</u>	<u>\$ 482,677</u>	<u>\$ 5,411,971</u>	<u>\$ 8,864,716</u>

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CITY OF AURORA, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023

	<u>Special Assessment</u>	<u>Capital FEMA Grant</u>	<u>Local Coronavirus Relief</u>	<u>CHIP</u>
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 50,944	\$ 268,875	\$ 1,298,475	\$ 230,561
Receivables:				
Real and other taxes	-	-	-	-
Other local taxes	-	-	-	-
Accounts	-	-	-	-
Accrued interest.	-	-	-	-
Special assessments.	4,655	-	-	-
Loans	-	-	-	133,320
Due from other governments.	-	-	-	-
Prepayments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Total assets	<u>\$ 55,599</u>	<u>\$ 268,875</u>	<u>\$ 1,298,475</u>	<u>\$ 363,881</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	22,375	-
Retainage payable	-	-	-	-
Accrued wages and benefits	-	-	-	-
Due to other governments.	-	-	-	-
Unearned revenue	-	-	1,276,100	-
Claims payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,298,475</u>	<u>-</u>
Deferred inflows of resources:				
Real and other taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Accrued interest not available.	-	-	-	-
Special assessments revenue not available	4,655	-	-	-
Intergovernmental revenue not available	-	-	-	-
Other revenue not available.	-	-	-	-
Total deferred inflows of resources	<u>4,655</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>4,655</u>	<u>-</u>	<u>1,298,475</u>	<u>-</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	50,944	268,875	-	363,881
Committed	-	-	-	-
Total fund balances.	<u>50,944</u>	<u>268,875</u>	<u>-</u>	<u>363,881</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 55,599</u>	<u>\$ 268,875</u>	<u>\$ 1,298,475</u>	<u>\$ 363,881</u>

<u>Police Wireless 911</u>	<u>Ohio Police Officer Training</u>	<u>Parks and Lake</u>	<u>Parks and Recreation Sponsorship</u>	<u>Road and Bridge Levy</u>	<u>Police Levy</u>	<u>Fire Levy</u>
\$ 3,780	\$ 32,646	\$ 198	\$ 5,411	\$ 425,230	\$ 241,124	\$ 176,811
-	-	-	-	604,104	130,456	188,427
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	41,000	-	-	37,616	5,612	8,108
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,780</u>	<u>\$ 73,646</u>	<u>\$ 198</u>	<u>\$ 5,411</u>	<u>\$ 1,066,950</u>	<u>\$ 377,192</u>	<u>\$ 373,346</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	12,697	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	12,697	-	-
-	-	-	-	-	-	-
-	-	-	-	589,481	127,610	184,325
-	-	-	-	14,623	2,846	4,102
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	37,616	5,612	8,108
-	-	-	-	-	-	-
-	-	-	-	641,720	136,068	196,535
-	-	-	-	654,417	136,068	196,535
-	-	-	-	-	-	-
3,780	73,646	-	-	412,533	241,124	176,811
-	-	198	5,411	-	-	-
<u>3,780</u>	<u>73,646</u>	<u>198</u>	<u>5,411</u>	<u>412,533</u>	<u>241,124</u>	<u>176,811</u>
<u>\$ 3,780</u>	<u>\$ 73,646</u>	<u>\$ 198</u>	<u>\$ 5,411</u>	<u>\$ 1,066,950</u>	<u>\$ 377,192</u>	<u>\$ 373,346</u>

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CITY OF AURORA, OHIO

COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
 DECEMBER 31, 2023

	<u>Fire Paramedic Levy</u>	<u>Street Construction Maintenance & Repair</u>	<u>Street Highway Improvement</u>	<u>Sunny Lake Oil Royalties</u>
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 125,847	\$ 407,030	\$ 225,935	\$ 5,488
Receivables:				
Real and other taxes	1,026,730	6,990	-	-
Other local taxes	-	-	-	-
Accounts	25,161	-	-	-
Accrued interest.	-	5,915	3,268	-
Special assessments.	-	-	-	-
Loans	-	-	-	-
Due from other governments.	52,933	507,936	40,908	-
Prepayments	5,366	-	-	-
Materials and supplies inventory	-	44,400	-	-
Total assets	<u>\$ 1,236,037</u>	<u>\$ 972,271</u>	<u>\$ 270,111</u>	<u>\$ 5,488</u>
Liabilities:				
Accounts payable	\$ -	\$ 7,508	\$ -	\$ -
Contracts payable	-	-	-	-
Retainage payable	-	-	-	-
Accrued wages and benefits	16,771	-	-	-
Due to other governments.	14,745	-	-	-
Unearned revenue	-	-	-	-
Claims payable	3,493	-	-	-
Total liabilities	<u>35,009</u>	<u>7,508</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Real and other taxes levied for the next fiscal year	1,001,834	-	-	-
Delinquent property tax revenue not available	24,896	-	-	-
Accrued interest not available.	-	3,233	1,794	-
Special assessments revenue not available	-	-	-	-
Intergovernmental revenue not available	52,933	412,734	33,472	-
Other revenue not available.	-	-	-	-
Total deferred inflows of resources	<u>1,079,663</u>	<u>415,967</u>	<u>35,266</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>1,114,672</u>	<u>423,475</u>	<u>35,266</u>	<u>-</u>
Fund Balances:				
Nonspendable	5,366	44,400	-	-
Restricted	115,999	504,396	234,845	-
Committed	-	-	-	5,488
Total fund balances.	<u>121,365</u>	<u>548,796</u>	<u>234,845</u>	<u>5,488</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,236,037</u>	<u>\$ 972,271</u>	<u>\$ 270,111</u>	<u>\$ 5,488</u>

<u>DWI Law Enforcement</u>	<u>Police Contraband Sales</u>	<u>Drug Fines Enforcement & Education</u>	<u>Safety Town</u>	<u>Opioid Settlement</u>	<u>Recreation</u>	<u>Hotel/Motel</u>
\$ 14,845	\$ 2,302	\$ 53,667	\$ 6,330	\$ 13,964	\$ 388,070	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	25,179
-	-	-	-	-	45,251	-
-	-	776	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
75	-	-	-	-	-	-
-	-	-	-	-	24,859	-
-	-	-	-	-	-	-
<u>\$ 14,920</u>	<u>\$ 2,302</u>	<u>\$ 54,443</u>	<u>\$ 6,330</u>	<u>\$ 13,964</u>	<u>\$ 458,180</u>	<u>\$ 25,179</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,338	\$ 12,361
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	34,317	-
-	-	-	-	-	15,001	-
-	-	-	-	-	317	-
-	-	-	-	-	10,369	-
-	-	-	-	-	87,342	12,361
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	426	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	12,818
-	-	426	-	-	-	12,818
-	-	426	-	-	87,342	25,179
-	-	-	-	-	24,859	-
14,920	2,302	54,017	6,330	13,964	-	-
-	-	-	-	-	345,979	-
<u>14,920</u>	<u>2,302</u>	<u>54,017</u>	<u>6,330</u>	<u>13,964</u>	<u>370,838</u>	<u>-</u>
<u>\$ 14,920</u>	<u>\$ 2,302</u>	<u>\$ 54,443</u>	<u>\$ 6,330</u>	<u>\$ 13,964</u>	<u>\$ 458,180</u>	<u>\$ 25,179</u>

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CITY OF AURORA, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
DECEMBER 31, 2023*

	Totals
Assets:	
Equity in pooled cash, cash equivalents and investments	\$ 3,977,533
Receivables:	
Real and other taxes	1,956,707
Other local taxes	25,179
Accounts	70,412
Accrued interest.	9,959
Special assessments.	4,655
Loans	133,320
Due from other governments.	694,188
Prepayments	30,225
Materials and supplies inventory	44,400
Total assets	\$ 6,946,578
Liabilities:	
Accounts payable	\$ 47,207
Contracts payable	22,375
Retainage payable	12,697
Accrued wages and benefits	51,088
Due to other governments.	29,746
Unearned revenue	1,276,417
Claims payable	13,862
Total liabilities	1,453,392
Deferred inflows of resources:	
Real and other taxes levied for the next fiscal year	1,903,250
Delinquent property tax revenue not available	46,467
Accrued interest not available.	5,453
Special assessments revenue not available	4,655
Intergovernmental revenue not available	550,475
Other revenue not available.	12,818
Total deferred inflows of resources	2,523,118
Total liabilities and deferred inflows of resources	3,976,510
Fund Balances:	
Nonspendable	74,625
Restricted	2,538,367
Committed	357,076
Total fund balances.	2,970,068
Total liabilities, deferred inflows of resources and fund balances	\$ 6,946,578

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CITY OF AURORA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Special Assessment</u>	<u>Capital FEMA Grant</u>	<u>Local Coronavirus Relief</u>	<u>CHIP</u>
Revenues:				
Real and other taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	24,900	84,547	-
Investment income	-	-	-	-
Contributions and donations	-	-	-	-
Change in fair value of investments	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>24,900</u>	<u>84,547</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property	-	-	-	-
Transportation	-	-	-	-
Community environment	-	-	-	38,058
Leisure time activity	-	-	-	-
Capital outlay	-	13,266	84,547	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>13,266</u>	<u>84,547</u>	<u>38,058</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>11,634</u>	<u>-</u>	<u>(38,058)</u>
Other financing sources:				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	11,634	-	(38,058)
Fund balances at beginning of year	<u>50,944</u>	<u>257,241</u>	<u>-</u>	<u>401,939</u>
Fund balances at end of year	<u><u>\$ 50,944</u></u>	<u><u>\$ 268,875</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 363,881</u></u>

<u>Police Wireless 911</u>	<u>Ohio Police Officer Training</u>	<u>Parks and Lake</u>	<u>Parks and Recreation Sponsorship</u>	<u>Road and Bridge Levy</u>	<u>Police Levy</u>	<u>Fire Levy</u>
\$ -	\$ -	\$ -	\$ -	\$ 521,064	\$ 114,872	\$ 165,940
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	51,853	-	-	161,097	11,221	16,210
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,850	-	-	-
-	51,853	-	3,850	682,161	126,093	182,150
-	-	-	-	9,045	1,939	2,800
-	-	-	-	-	100,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,393	-	-	-
2,422	-	-	-	715,187	-	400,000
-	-	-	-	39,107	-	-
-	-	-	-	-	-	-
2,422	-	-	2,393	763,339	101,939	402,800
(2,422)	51,853	-	1,457	(81,178)	24,154	(220,650)
-	-	-	-	-	-	-
-	-	-	-	100,000	-	102,000
-	-	-	-	100,000	-	102,000
(2,422)	51,853	-	1,457	18,822	24,154	(118,650)
6,202	21,793	198	3,954	393,711	216,970	295,461
<u>\$ 3,780</u>	<u>\$ 73,646</u>	<u>\$ 198</u>	<u>\$ 5,411</u>	<u>\$ 412,533</u>	<u>\$ 241,124</u>	<u>\$ 176,811</u>

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CITY OF AURORA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Fire Paramedic Levy	Street Construction Maintenance & Repair	Street Highway Improvement	Sunny Lake Oil Royalties
Revenues:				
Real and other taxes	\$ 886,253	\$ 100,831	\$ -	\$ -
Other local taxes	-	-	-	-
Charges for services	-	16,800	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	105,830	1,089,709	85,159	-
Investment income	-	22,946	10,168	-
Contributions and donations.	10,000	-	-	-
Change in fair value of investments	-	17,959	11,287	-
Other.	1,163	-	-	1,638
Total revenues	1,003,246	1,248,245	106,614	1,638
Expenditures:				
Current:				
General government.	15,395	-	-	-
Security of persons and property	690,443	-	-	-
Transportation	-	326,511	83,006	-
Community environment	-	-	-	-
Leisure time activity.	-	-	-	-
Capital outlay	330,533	833,001	-	3,429
Debt service:				
Principal retirement.	-	173,073	-	-
Interest and fiscal charges	-	3,513	-	-
Total expenditures.	1,036,371	1,336,098	83,006	3,429
Excess (deficiency) of revenues over (under) expenditures	(33,125)	(87,853)	23,608	(1,791)
Other financing sources:				
Sale of capital assets.	27,000	-	-	-
Transfers in.	-	210,000	-	-
Total other financing sources	27,000	210,000	-	-
Net change in fund balances.	(6,125)	122,147	23,608	(1,791)
Fund balances at beginning of year.	127,490	426,649	211,237	7,279
Fund balances at end of year	\$ 121,365	\$ 548,796	\$ 234,845	\$ 5,488

DWI Law Enforcement	Police Contraband Sales	Drug Fines Enforcement & Education	Safety Town	Opioid Settlement	Recreation	Hotel/Motel
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	53,879
-	-	-	25	-	511,472	-
430	-	-	-	11,419	-	-
-	-	11,338	-	-	-	-
-	-	481	-	-	-	-
-	-	-	-	-	-	-
-	-	1,699	-	-	-	-
-	-	-	-	-	10,646	-
<u>430</u>	<u>-</u>	<u>13,518</u>	<u>25</u>	<u>11,419</u>	<u>522,118</u>	<u>53,879</u>
-	-	-	-	-	-	53,879
179	-	-	3,258	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,459,379	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>179</u>	<u>-</u>	<u>-</u>	<u>3,258</u>	<u>-</u>	<u>2,459,379</u>	<u>53,879</u>
<u>251</u>	<u>-</u>	<u>13,518</u>	<u>(3,233)</u>	<u>11,419</u>	<u>(1,937,261)</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	1,900,000	-
-	-	-	-	-	1,900,000	-
251	-	13,518	(3,233)	11,419	(37,261)	-
14,669	2,302	40,499	9,563	2,545	408,099	-
<u>\$ 14,920</u>	<u>\$ 2,302</u>	<u>\$ 54,017</u>	<u>\$ 6,330</u>	<u>\$ 13,964</u>	<u>\$ 370,838</u>	<u>\$ -</u>

- - Continued

CITY OF AURORA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Totals</u>
Revenues:	
Real and other taxes	\$ 1,788,960
Other local taxes	53,879
Charges for services	528,297
Fines and forfeitures	11,849
Intergovernmental	1,641,864
Investment income	33,595
Contributions and donations.	10,000
Change in fair value of investments	30,945
Other.	<u>17,297</u>
Total revenues	<u>4,116,686</u>
Expenditures:	
Current:	
General government.	83,058
Security of persons and property	793,880
Transportation	409,517
Community environment	38,058
Leisure time activity.	2,461,772
Capital outlay	2,382,385
Debt service:	
Principal retirement.	212,180
Interest and fiscal charges	<u>3,513</u>
Total expenditures.	<u>6,384,363</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,267,677)</u>
Other financing sources:	
Sale of capital assets.	27,000
Transfers in.	<u>2,312,000</u>
Total other financing sources	<u>2,339,000</u>
Net change in fund balances.	71,323
Fund balances at beginning of year.	<u>2,898,745</u>
Fund balances at end of year	<u><u>\$ 2,970,068</u></u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Special Assessment				
Unencumbered fund balance at beginning of year.	\$ 50,944	\$ 50,944	\$ 50,944	\$ -
Unencumbered fund balance at end of year . . .	<u>\$ 50,944</u>	<u>\$ 50,944</u>	<u>\$ 50,944</u>	<u>\$ -</u>
Capital FEMA Grant				
Total revenues and other sources	\$ 2,315,165	\$ 2,362,564	\$ 24,900	\$ (2,337,664)
Total expenditures and other uses.	<u>2,572,406</u>	<u>2,619,805</u>	<u>156,389</u>	<u>2,463,416</u>
Net change in fund balances	(257,241)	(257,241)	(131,489)	125,752
Unencumbered fund balance at beginning of year.	<u>257,241</u>	<u>257,241</u>	<u>257,241</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,752</u>	<u>\$ 125,752</u>
Local Coronavirus Relief				
Total expenditures and other uses.	\$ 128,908	\$ 128,908	\$ 119,780	\$ 9,128
Net change in fund balances	(128,908)	(128,908)	(119,780)	9,128
Unencumbered fund balance at beginning of year.	1,289,347	1,289,347	1,289,347	-
Prior year encumbrances appropriated.	<u>128,908</u>	<u>128,908</u>	<u>128,908</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 1,289,347</u>	<u>\$ 1,289,347</u>	<u>\$ 1,298,475</u>	<u>\$ 9,128</u>
CHIP				
Total expenditures and other uses.	\$ 195,000	\$ 195,000	\$ -	\$ 195,000
Net change in fund balances	(195,000)	(195,000)	-	195,000
Unencumbered fund balance at beginning of year.	<u>230,561</u>	<u>230,561</u>	<u>230,561</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 35,561</u>	<u>\$ 35,561</u>	<u>\$ 230,561</u>	<u>\$ 195,000</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Police Wireless 911				
Total expenditures and other uses.	\$ 3,780	\$ 3,780	\$ 3,780	\$ -
Net change in fund balances	(3,780)	(3,780)	(3,780)	-
Unencumbered fund balance at beginning of year.	-	-	-	-
Prior year encumbrances appropriated.	3,780	3,780	3,780	-
Unencumbered fund balance at end of year . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ohio Police Officer Training				
Total revenues and other sources	\$ -	\$ -	\$ 10,853	\$ 10,853
Total expenditures and other uses.	6,000	6,000	-	6,000
Net change in fund balances	(6,000)	(6,000)	10,853	16,853
Unencumbered fund balance at beginning of year.	21,793	21,793	21,793	-
Unencumbered fund balance at end of year . . .	<u>\$ 15,793</u>	<u>\$ 15,793</u>	<u>\$ 32,646</u>	<u>\$ 16,853</u>
Parks and Lake				
Total expenditures and other uses.	\$ 198	\$ 198	\$ -	\$ 198
Net change in fund balances	(198)	(198)	-	198
Unencumbered fund balance at beginning of year.	198	198	198	-
Unencumbered fund balance at end of year . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198</u>	<u>\$ 198</u>
Parks and Recreation Sponsorship				
Total revenues and other sources	\$ 4,500	\$ 4,500	\$ 3,850	\$ (650)
Total expenditures and other uses.	6,000	6,000	2,393	3,607
Net change in fund balances	(1,500)	(1,500)	1,457	2,957
Unencumbered fund balance at beginning of year.	3,954	3,954	3,954	-
Unencumbered fund balance at end of year . . .	<u>\$ 2,454</u>	<u>\$ 2,454</u>	<u>\$ 5,411</u>	<u>\$ 2,957</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Road and Bridge Levy				
Total revenues and other sources	\$ 717,238	\$ 717,238	\$ 782,161	\$ 64,923
Total expenditures and other uses.	<u>1,098,008</u>	<u>1,098,008</u>	<u>1,046,155</u>	<u>51,853</u>
Net change in fund balances	(380,770)	(380,770)	(263,994)	116,776
Unencumbered fund balance at beginning of year.	<u>393,711</u>	<u>393,711</u>	<u>393,711</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 12,941</u>	<u>\$ 12,941</u>	<u>\$ 129,717</u>	<u>\$ 116,776</u>
Police Levy				
Total revenues and other sources	\$ 123,956	\$ 123,956	\$ 126,093	\$ 2,137
Total expenditures and other uses.	<u>102,100</u>	<u>102,100</u>	<u>101,939</u>	<u>161</u>
Net change in fund balances	21,856	21,856	24,154	2,298
Unencumbered fund balance at beginning of year.	<u>216,970</u>	<u>216,970</u>	<u>216,970</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 238,826</u>	<u>\$ 238,826</u>	<u>\$ 241,124</u>	<u>\$ 2,298</u>
Fire Levy				
Total revenues and other sources	\$ 179,047	\$ 179,047	\$ 284,150	\$ 105,103
Total expenditures and other uses.	<u>403,100</u>	<u>403,100</u>	<u>402,800</u>	<u>300</u>
Net change in fund balances	(224,053)	(224,053)	(118,650)	105,403
Unencumbered fund balance at beginning of year.	<u>295,461</u>	<u>295,461</u>	<u>295,461</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 71,408</u>	<u>\$ 71,408</u>	<u>\$ 176,811</u>	<u>\$ 105,403</u>
Fire Paramedic Levy				
Total revenues and other sources	\$ 982,771	\$ 982,771	\$ 1,030,246	\$ 47,475
Total expenditures and other uses.	<u>1,053,109</u>	<u>1,078,109</u>	<u>1,066,178</u>	<u>11,931</u>
Net change in fund balances	(70,338)	(95,338)	(35,932)	59,406
Unencumbered fund balance at beginning of year.	155,991	155,991	155,991	-
Prior year encumbrances appropriated.	<u>2,429</u>	<u>2,429</u>	<u>2,429</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 88,082</u>	<u>\$ 63,082</u>	<u>\$ 122,488</u>	<u>\$ 59,406</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Street Construction, Maintenance & Repair				
Total revenues and other sources	\$ 1,196,000	\$ 1,196,000	\$ 1,426,703	\$ 230,703
Total expenditures and other uses.	<u>1,558,718</u>	<u>1,558,718</u>	<u>1,542,735</u>	<u>15,983</u>
Net change in fund balances	(362,718)	(362,718)	(116,032)	246,686
Unencumbered fund balance at beginning of year.	261,429	261,429	261,429	-
Prior year encumbrances appropriated.	<u>131,755</u>	<u>131,755</u>	<u>131,755</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 30,466</u>	<u>\$ 30,466</u>	<u>\$ 277,152</u>	<u>\$ 246,686</u>
State Highway Improvement				
Total revenues and other sources	\$ 88,450	\$ 88,450	\$ 93,020	\$ 4,570
Total expenditures and other uses.	<u>219,594</u>	<u>219,594</u>	<u>89,160</u>	<u>130,434</u>
Net change in fund balances	(131,144)	(131,144)	3,860	135,004
Unencumbered fund balance at beginning of year.	222,791	222,791	222,791	-
Prior year encumbrances appropriated.	<u>9,594</u>	<u>9,594</u>	<u>9,594</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 101,241</u>	<u>\$ 101,241</u>	<u>\$ 236,245</u>	<u>\$ 135,004</u>
Sunny Lake Oil Royalties				
Total revenues and other sources	\$ 5,000	\$ 5,000	\$ 1,638	\$ (3,362)
Total expenditures and other uses.	<u>10,000</u>	<u>10,000</u>	<u>8,879</u>	<u>1,121</u>
Net change in fund balances	(5,000)	(5,000)	(7,241)	(2,241)
Unencumbered fund balance at beginning of year.	<u>7,279</u>	<u>7,279</u>	<u>7,279</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 2,279</u>	<u>\$ 2,279</u>	<u>\$ 38</u>	<u>\$ (2,241)</u>
DWI Law Enforcement				
Total revenues and other sources	\$ 400	\$ 400	\$ 355	\$ (45)
Total expenditures and other uses.	<u>2,500</u>	<u>2,500</u>	<u>179</u>	<u>2,321</u>
Net change in fund balances	(2,100)	(2,100)	176	2,276
Unencumbered fund balance at beginning of year.	<u>14,669</u>	<u>14,669</u>	<u>14,669</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 12,569</u>	<u>\$ 12,569</u>	<u>\$ 14,845</u>	<u>\$ 2,276</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Police Contraband Sales				
Unencumbered fund balance at beginning of year.	\$ 2,302	\$ 2,302	\$ 2,302	\$ -
Unencumbered fund balance at end of year . . .	<u>\$ 2,302</u>	<u>\$ 2,302</u>	<u>\$ 2,302</u>	<u>\$ -</u>
Drug Fines Enforcement & Education				
Total revenues and other sources	\$ -	\$ -	\$ 11,451	\$ 11,451
Total expenditures and other uses.	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net change in fund balances	(20,000)	(20,000)	11,451	31,451
Unencumbered fund balance at beginning of year.	<u>44,664</u>	<u>44,664</u>	<u>44,664</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 24,664</u>	<u>\$ 24,664</u>	<u>\$ 56,115</u>	<u>\$ 31,451</u>
Safety Town				
Total revenues and other sources	\$ 2,800	\$ 2,800	\$ 25	\$ (2,775)
Total expenditures and other uses.	<u>9,000</u>	<u>9,000</u>	<u>3,258</u>	<u>5,742</u>
Net change in fund balances	(6,200)	(6,200)	(3,233)	2,967
Unencumbered fund balance at beginning of year.	<u>9,563</u>	<u>9,563</u>	<u>9,563</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 3,363</u>	<u>\$ 3,363</u>	<u>\$ 6,330</u>	<u>\$ 2,967</u>
Opioid Settlement				
Total revenues and other sources	\$ 2,600	\$ 2,600	\$ 11,419	\$ 8,819
Net change in fund balances	2,600	2,600	11,419	8,819
Unencumbered fund balance at beginning of year.	<u>2,545</u>	<u>2,545</u>	<u>2,545</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 5,145</u>	<u>\$ 5,145</u>	<u>\$ 13,964</u>	<u>\$ 8,819</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Recreation				
Total revenues and other sources	\$ 2,307,500	\$ 2,307,500	\$ 2,425,411	\$ 117,911
Total expenditures and other uses.	<u>2,652,050</u>	<u>2,732,050</u>	<u>2,576,531</u>	<u>155,519</u>
Net change in fund balances	(344,550)	(424,550)	(151,120)	273,430
Unencumbered fund balance at beginning of year.	424,650	424,650	424,650	-
Prior year encumbrances appropriated.	<u>51,553</u>	<u>51,553</u>	<u>51,553</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 131,653</u>	<u>\$ 51,653</u>	<u>\$ 325,083</u>	<u>\$ 273,430</u>
Hotel/Motel				
Total revenues and other sources	\$ 60,000	\$ 60,000	\$ 44,155	\$ (15,845)
Total expenditures and other uses.	<u>60,000</u>	<u>60,000</u>	<u>44,155</u>	<u>15,845</u>
Net change in fund balances	-	-	-	-
Unencumbered fund balance at beginning of year.	-	-	-	-
Unencumbered fund balance at end of year . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Medical Reserve				
Unencumbered fund balance at beginning of year.	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ -</u>
Unencumbered fund balance at end of year . . .	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ -</u>
Unclaimed Monies				
Total revenues and other sources	\$ 3,000	\$ 3,000	\$ 1,857	\$ (1,143)
Total expenditures and other uses.	<u>15,758</u>	<u>15,758</u>	<u>12,758</u>	<u>3,000</u>
Net change in fund balances	(12,758)	(12,758)	(10,901)	1,857
Unencumbered fund balance at beginning of year.	<u>16,614</u>	<u>16,614</u>	<u>16,614</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 3,856</u>	<u>\$ 3,856</u>	<u>\$ 5,713</u>	<u>\$ 1,857</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Developer's Escrow				
Total revenues and other sources	\$ 350,000	\$ 350,000	\$ 174,327	\$ (175,673)
Total expenditures and other uses.	<u>413,279</u>	<u>413,279</u>	<u>308,545</u>	<u>104,734</u>
Net change in fund balances	(63,279)	(63,279)	(134,218)	(70,939)
Unencumbered fund balance at beginning of year.	62,291	62,291	62,291	-
Prior year encumbrances appropriated.	<u>72,199</u>	<u>72,199</u>	<u>72,199</u>	<u>-</u>
Unencumbered fund balance at end of year. . .	<u>\$ 71,211</u>	<u>\$ 71,211</u>	<u>\$ 272</u>	<u>\$ (70,939)</u>
Performance Deposits				
Total revenues and other sources	\$ 2,010,000	\$ 2,010,000	\$ 907,870	\$ (1,102,130)
Total expenditures and other uses.	<u>2,570,000</u>	<u>2,570,000</u>	<u>1,173,685</u>	<u>1,396,315</u>
Net change in fund balances	(560,000)	(560,000)	(265,815)	294,185
Unencumbered fund balance at beginning of year.	<u>2,426,081</u>	<u>2,426,081</u>	<u>2,426,081</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 1,866,081</u>	<u>\$ 1,866,081</u>	<u>\$ 2,160,266</u>	<u>\$ 294,185</u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Bond Retirement				
Total revenues and other sources	\$ 375,135	\$ 375,135	\$ 380,804	\$ 5,669
Total expenditures and other uses.	<u>389,738</u>	<u>389,738</u>	<u>389,110</u>	<u>628</u>
Net change in fund balances	(14,603)	(14,603)	(8,306)	6,297
Unencumbered fund balance at beginning of year.	<u>490,983</u>	<u>490,983</u>	<u>490,983</u>	<u>-</u>
Unencumbered fund balance at end of year . . .	<u>\$ 476,380</u>	<u>\$ 476,380</u>	<u>\$ 482,677</u>	<u>\$ 6,297</u>

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CITY OF AURORA, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2023

	<u>City Operations</u>	<u>Capital Improvement Public Space</u>	<u>Emergency Capital</u>	<u>Road Programs</u>
Assets:				
Equity in pooled cash, cash equivalents and investments.	\$ 3,399,933	\$ 305,136	\$ 1,700,000	\$ 6,902
Total assets	<u>\$ 3,399,933</u>	<u>\$ 305,136</u>	<u>\$ 1,700,000</u>	<u>\$ 6,902</u>
Fund Balances:				
Restricted	\$ -	\$ -	\$ -	\$ 6,902
Committed	-	305,136	-	-
Assigned	<u>3,399,933</u>	-	<u>1,700,000</u>	-
Total fund balances.	<u>3,399,933</u>	<u>305,136</u>	<u>1,700,000</u>	<u>6,902</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,399,933</u>	<u>\$ 305,136</u>	<u>\$ 1,700,000</u>	<u>\$ 6,902</u>

Totals

\$ 5,411,971

\$ 5,411,971

\$ 6,902
305,136
5,099,933

5,411,971

\$ 5,411,971

CITY OF AURORA, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	City Operations	Capital Improvement Public Space	Emergency Capital	Road Programs
Revenues:				
Licenses and permits	\$ -	\$ 97,962	\$ -	\$ -
Other.	-	40,020	-	-
Total revenues	<u>-</u>	<u>137,982</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital outlay	<u>1,203,573</u>	<u>100,928</u>	<u>-</u>	<u>94,789</u>
Total expenditures.	<u>1,203,573</u>	<u>100,928</u>	<u>-</u>	<u>94,789</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,203,573)</u>	<u>37,054</u>	<u>-</u>	<u>(94,789)</u>
Other financing sources:				
Sale of capital assets.	200	-	-	-
Transfers in.	<u>3,751,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>3,751,200</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances.	2,547,627	47,054	-	(94,789)
Fund balances at beginning of year	<u>852,306</u>	<u>258,082</u>	<u>1,700,000</u>	<u>101,691</u>
Fund balances at end of year	<u><u>\$ 3,399,933</u></u>	<u><u>\$ 305,136</u></u>	<u><u>\$ 1,700,000</u></u>	<u><u>\$ 6,902</u></u>

<u>Totals</u>	
\$	97,962
	40,020
	<u>137,982</u>
	<u>1,399,290</u>
	<u>1,399,290</u>
	<u>(1,261,308)</u>
	200
	<u>3,761,000</u>
	<u>3,761,200</u>
	2,499,892
	<u>2,912,079</u>
\$	<u><u>5,411,971</u></u>

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
City Operations				
Total revenues and other sources	\$ 250,000	\$ 400,000	\$ 3,751,200	\$ 3,351,200
Total expenditures and other uses.	-	1,209,500	1,203,573	5,927
Net change in fund balances	250,000	(809,500)	2,547,627	3,357,127
Unencumbered fund balance at beginning of year.	852,306	852,306	852,306	-
Unencumbered fund balance at end of year . . .	<u>\$ 1,102,306</u>	<u>\$ 42,806</u>	<u>\$ 3,399,933</u>	<u>\$ 3,357,127</u>
Capital Improvement Public Space				
Total revenues and other sources	\$ 70,000	\$ 217,493	\$ 149,018	\$ (68,475)
Total expenditures and other uses.	328,067	368,087	154,618	213,469
Net change in fund balances	(258,067)	(150,594)	(5,600)	144,994
Unencumbered fund balance at beginning of year.	193,507	193,507	193,507	-
Prior year encumbrances appropriated.	77,310	77,310	77,310	-
Unencumbered fund balance at end of year . . .	<u>\$ 12,750</u>	<u>\$ 120,223</u>	<u>\$ 265,217</u>	<u>\$ 144,994</u>
Emergency Capital				
Unencumbered fund balance at beginning of year.	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ -
Unencumbered fund balance at end of year . . .	<u>\$ 1,700,000</u>	<u>\$ 1,700,000</u>	<u>\$ 1,700,000</u>	<u>\$ -</u>
Road Programs				
Total expenditures and other uses.	\$ 100,000	\$ 100,000	\$ 94,789	\$ 5,211
Net change in fund balances	(100,000)	(100,000)	(94,789)	5,211
Unencumbered fund balance at beginning of year.	101,691	101,691	101,691	-
Unencumbered fund balance at end of year . . .	<u>\$ 1,691</u>	<u>\$ 1,691</u>	<u>\$ 6,902</u>	<u>\$ 5,211</u>

CITY OF AURORA, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - ENTERPRISE FUNDS

ENTERPRISE FUNDS

The enterprise funds are used to account for the City's sewer, water, and storm water operations. These operations are financed and operated in a manner similar to that of a private business enterprise. The intent of the City is that the costs (expenses including depreciation) of providing goods and services on a continuing basis be recovered primarily through user charges. Following is a description of the City's enterprise funds:

Major Enterprise Funds

Water

The water fund accounts for the purchase of water from Portage County and distributes and bills residents and commercial users within the City.

Sewer

The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Nonmajor Enterprise Fund

Cemetery/Perpetual Care

The cemetery/perpetual care fund accounts for cemetery and perpetual care operations located within the City.

CITY OF AURORA, OHIO

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Water				
Total revenues and other sources	\$ 4,010,843	\$ 4,010,843	\$ 4,431,787	\$ 420,944
Total expenses and other uses.	<u>5,777,090</u>	<u>5,843,870</u>	<u>5,392,063</u>	<u>451,807</u>
Net change in fund equity	(1,766,247)	(1,833,027)	(960,276)	872,751
Unencumbered fund equity at beginning of year .	6,607,990	6,607,990	6,607,990	-
Prior year encumbrances appropriated.	<u>697,638</u>	<u>697,638</u>	<u>697,638</u>	<u>-</u>
Unencumbered fund equity at end of year	<u>\$ 5,539,381</u>	<u>\$ 5,472,601</u>	<u>\$ 6,345,352</u>	<u>\$ 872,751</u>
Sewer				
Total revenues and other sources	\$ 3,683,516	\$ 3,683,516	\$ 4,725,110	\$ 1,041,594
Total expenses and other uses.	<u>7,668,985</u>	<u>7,774,778</u>	<u>6,410,854</u>	<u>1,363,924</u>
Net change in fund equity	(3,985,469)	(4,091,262)	(1,685,744)	2,405,518
Unencumbered fund equity at beginning of year .	6,147,225	6,147,225	6,147,225	-
Prior year encumbrances appropriated.	<u>2,348,123</u>	<u>2,348,123</u>	<u>2,348,123</u>	<u>-</u>
Unencumbered fund equity at end of year	<u>\$ 4,509,879</u>	<u>\$ 4,404,086</u>	<u>\$ 6,809,604</u>	<u>\$ 2,405,518</u>
Cemetery/Perpetual Care				
Total revenues and other sources	\$ 36,700	\$ 64,526	\$ 85,219	\$ 20,693
Total expenses and other uses.	<u>89,234</u>	<u>91,734</u>	<u>73,208</u>	<u>18,526</u>
Net change in fund equity	(52,534)	(27,208)	12,011	39,219
Unencumbered fund equity at beginning of year .	111,521	111,521	111,521	-
Prior year encumbrances appropriated.	<u>2,039</u>	<u>2,039</u>	<u>2,039</u>	<u>-</u>
Unencumbered fund equity at end of year	<u>\$ 61,026</u>	<u>\$ 86,352</u>	<u>\$ 125,571</u>	<u>\$ 39,219</u>

CITY OF AURORA, OHIO
INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial Funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governmental units.

State Building Fees

This fund accounts for the 1% and 3% fees assessed on building permits which are remitted to the State of Ohio.

The State and Building Fees fund was the only custodial fund to have any additions, deductions, assets, liabilities, or net position activity during 2023. As a result, no combining statement of fiduciary net position - custodial fund and combining statement of changes in fiduciary net position - custodial fund are presented. The statement of fiduciary net position - fiduciary fund and statement of changes in fiduciary net position - fiduciary fund can be found on pages 32-33.

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STATISTICAL SECTION

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CITY OF AURORA, OHIO

STATISTICAL SECTION

This part of the City of Aurora's 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 City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	144
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	154
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	162
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	167
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	169

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

TABLE 1

CITY OF AURORA, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2014	2015	2016	2017 (A)
Governmental activities				
Net investment in capital assets	\$ 74,658,145	\$ 78,097,929	\$ 80,164,977	\$ 81,734,777
Restricted	5,472,203	4,979,136	4,536,231	4,729,983
Unrestricted (deficit)	6,734,788	8,447,381	7,418,688	(5,366,922)
Total governmental activities net position	<u>\$ 86,865,136</u>	<u>\$ 91,524,446</u>	<u>\$ 92,119,896</u>	<u>\$ 81,097,838</u>
Business-type activities				
Net investment in capital assets	\$ 35,302,242	\$ 35,906,707	\$ 37,741,929	\$ 37,881,085
Restricted	-	-	-	-
Unrestricted	7,052,702	8,562,026	9,788,136	11,066,751
Total business-type activities net position	<u>\$ 42,354,944</u>	<u>\$ 44,468,733</u>	<u>\$ 47,530,065</u>	<u>\$ 48,947,836</u>
Primary government				
Net investment in capital assets	\$ 109,960,387	\$ 114,004,636	\$ 117,906,906	\$ 119,615,862
Restricted	5,472,203	4,979,136	4,536,231	4,729,983
Unrestricted	13,787,490	17,009,407	17,206,824	5,699,829
Total primary government net position	<u>\$ 129,220,080</u>	<u>\$ 135,993,179</u>	<u>\$ 139,649,961</u>	<u>\$ 130,045,674</u>

Source: City of Aurora financial records.

(A) Governmental activities net position for 2017 has been restated in accordance with the implementation of GASB Statement No. 75 during 2018.

(B) Governmental activities net position for 2018 has been restated in accordance with the implementation of GASB Statement No. 84 during 2019.

2018 (B)	2019	2020	2021	2022	2023
\$ 88,152,576	\$ 89,432,929	\$ 93,883,698	\$ 95,975,698	\$ 98,143,072	\$ 106,167,253
4,457,516	4,776,141	3,230,278	3,626,386	3,627,547	3,727,154
(8,286,873)	(909,638)	(973,291)	4,498,695	10,837,783	14,038,397
<u>\$ 84,323,219</u>	<u>\$ 93,299,432</u>	<u>\$ 96,140,685</u>	<u>\$ 104,100,779</u>	<u>\$ 112,608,402</u>	<u>\$ 123,932,804</u>
\$ 40,567,695	\$ 41,328,410	\$ 42,343,585	\$ 42,963,300	\$ 45,835,807	\$ 47,631,540
-	-	-	-	-	42,865
12,156,752	13,208,664	14,380,542	16,503,810	15,960,823	16,577,432
<u>\$ 52,724,447</u>	<u>\$ 54,537,074</u>	<u>\$ 56,724,127</u>	<u>\$ 59,467,110</u>	<u>\$ 61,796,630</u>	<u>\$ 64,251,837</u>
\$ 128,720,271	\$ 130,761,339	\$ 136,227,283	\$ 138,938,998	\$ 143,978,879	\$ 153,798,793
4,457,516	4,776,141	3,230,278	3,626,386	3,627,547	3,770,019
3,869,879	12,299,026	13,407,251	21,002,505	26,798,606	30,615,829
<u>\$ 137,047,666</u>	<u>\$ 147,836,506</u>	<u>\$ 152,864,812</u>	<u>\$ 163,567,889</u>	<u>\$ 174,405,032</u>	<u>\$ 188,184,641</u>

TABLE 2

CITY OF AURORA, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$ 2,371,196	\$ 2,706,786	\$ 2,657,947	\$ 2,736,078
Security of persons and property	8,474,819	8,632,937	9,864,845	10,164,447
Public health and welfare	-	-	-	-
Transportation	4,072,036	3,962,405	4,118,347	4,186,650
Community environment	1,069,800	974,352	1,181,110	1,340,450
Leisure time activity	1,741,009	1,787,477	1,969,060	2,219,869
Interest and fiscal charges	239,687	209,037	176,749	144,545
Total governmental activities expenses	<u>17,968,547</u>	<u>18,272,994</u>	<u>19,968,058</u>	<u>20,792,039</u>
Business-type activities:				
Water	2,795,638	2,810,855	2,766,987	2,962,467
Sewer	2,405,115	2,436,231	2,424,962	2,643,022
Other business-type activities:				
Cemetery/Perpetual Care	43,587	50,005	56,005	61,367
Total business-type activities expenses	<u>5,244,340</u>	<u>5,297,091</u>	<u>5,247,954</u>	<u>5,666,856</u>
Total primary government expenses	<u>\$ 23,212,887</u>	<u>\$ 23,570,085</u>	<u>\$ 25,216,012</u>	<u>\$ 26,458,895</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 632,187	\$ 510,219	\$ 537,682	\$ 721,705
Security of persons and property	2,633	5,591	1,033	3,774
Transportation	-	-	-	-
Leisure time activity	390,341	437,054	444,455	430,752
Operating grants and contributions	1,173,357	1,057,130	963,527	1,030,439
Capital grants and contributions	687,241	2,040,734	1,394,575	52,401
Total governmental program revenues	<u>2,885,759</u>	<u>4,050,728</u>	<u>3,341,272</u>	<u>2,239,071</u>
Business-type activities:				
Charges for services:				
Water	3,405,764	3,567,774	3,818,801	3,800,270
Sewer	2,715,500	2,672,769	3,072,076	2,899,980
Other business-type activities:				
Cemetery/Perpetual Care	37,241	41,509	40,621	46,898
Capital grants and contributions	340,400	737,059	-	-
Total business-type activities program revenues	<u>6,498,905</u>	<u>7,019,111</u>	<u>6,931,498</u>	<u>6,747,148</u>
Total primary government program revenue	<u>\$ 9,384,664</u>	<u>\$ 11,069,839</u>	<u>\$ 10,272,770</u>	<u>\$ 8,986,219</u>
Net (Expense)/Revenue				
Governmental activities	\$ (15,082,788)	\$ (14,222,266)	\$ (16,626,786)	\$ (18,552,968)
Business-type activities	1,254,565	1,722,020	1,683,544	1,080,292
Total primary government net expense	<u>\$ (13,828,223)</u>	<u>\$ (12,500,246)</u>	<u>\$ (14,943,242)</u>	<u>\$ (17,472,676)</u>

	<u>2018 (A)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	2,819,139	\$ 3,171,527	\$ 3,370,124	\$ 1,970,983	\$ 2,884,841	\$ 3,705,275
	11,203,057	2,807,343	10,689,055	10,432,479	10,649,073	13,309,667
	-	-	203,921	-	-	-
	4,631,431	4,970,118	4,575,738	3,772,000	4,227,558	5,560,931
	1,426,245	1,737,072	1,474,332	841,610	1,181,787	1,664,878
	2,224,217	2,373,722	2,138,393	1,670,782	2,185,423	2,954,516
	110,939	87,619	88,182	98,126	91,869	71,919
	<u>22,415,028</u>	<u>15,147,401</u>	<u>22,539,745</u>	<u>18,785,980</u>	<u>21,220,551</u>	<u>27,267,186</u>
	3,414,361	3,444,736	3,706,446	3,146,008	3,375,980	3,699,558
	2,384,780	2,747,753	2,873,849	2,797,747	3,309,245	4,503,523
	81,165	78,183	74,642	67,901	72,819	89,662
	<u>5,880,306</u>	<u>6,270,672</u>	<u>6,654,937</u>	<u>6,011,656</u>	<u>6,758,044</u>	<u>8,292,743</u>
\$	<u>28,295,334</u>	<u>21,418,073</u>	<u>29,194,682</u>	<u>24,797,636</u>	<u>27,978,595</u>	<u>35,559,929</u>
\$	827,792	\$ 824,806	\$ 687,774	\$ 635,841	\$ 735,227	\$ 809,196
	660	6,518	798	16,202	3,197	11,874
	-	-	-	21,200	22,400	16,800
	410,070	420,720	138,219	295,503	453,121	511,472
	947,282	1,239,295	2,422,436	1,318,992	1,670,815	1,389,971
	3,644,367	74,342	1,014,810	171,683	213,805	5,001,338
	<u>5,830,171</u>	<u>2,565,681</u>	<u>4,264,037</u>	<u>2,459,421</u>	<u>3,098,565</u>	<u>7,740,651</u>
	3,953,182	3,847,638	3,954,375	4,261,061	4,304,032	4,371,487
	3,138,740	2,883,216	2,793,223	3,392,082	3,410,794	3,492,482
	42,357	36,420	27,302	65,252	69,295	69,856
	1,985,945	714,650	934,987	78,096	1,057,755	2,600,445
	<u>9,120,224</u>	<u>7,481,924</u>	<u>7,709,887</u>	<u>7,796,491</u>	<u>8,841,876</u>	<u>10,534,270</u>
\$	<u>14,950,395</u>	<u>10,047,605</u>	<u>11,973,924</u>	<u>10,255,912</u>	<u>11,940,441</u>	<u>18,274,921</u>
\$	(16,584,857)	\$ (12,581,720)	\$ (18,275,708)	\$ (16,326,559)	\$ (18,121,986)	\$ (19,526,535)
	3,239,918	1,211,252	1,054,950	1,784,835	2,083,832	2,241,527
\$	<u>(13,344,939)</u>	<u>(11,370,468)</u>	<u>(17,220,758)</u>	<u>(14,541,724)</u>	<u>(16,038,154)</u>	<u>(17,285,008)</u>

-- Continued

TABLE 2

CITY OF AURORA, OHIO

CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Year Ended			
	2014	2015	2016	2017
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property and other local taxes	\$ 3,896,915	\$ 3,593,151	\$ 3,754,299	\$ 3,562,647
Municipal income taxes	13,295,422	14,701,925	13,552,188	14,662,819
Grants and entitlements not restricted	597,755	620,235	549,962	580,017
Investment earnings & change in fair value of investments	53,820	92,001	239,340	170,427
Miscellaneous	131,999	238,264	477,039	622,105
Transfers	(212,927)	(364,000)	(1,350,592)	(895,470)
Total governmental activities	<u>17,762,984</u>	<u>18,881,576</u>	<u>17,222,236</u>	<u>18,702,545</u>
Business-type activities:				
Investment earnings	-	-	-	-
Miscellaneous	27,885	27,769	27,196	26,122
Transfers	212,927	364,000	1,350,592	895,470
Total business-type activities	<u>240,812</u>	<u>391,769</u>	<u>1,377,788</u>	<u>921,592</u>
Total primary government	<u>\$ 18,003,796</u>	<u>\$ 19,273,345</u>	<u>\$ 18,600,024</u>	<u>\$ 19,624,137</u>
Change in Net Position				
Governmental activities	\$ 2,680,196	\$ 4,659,310	\$ 595,450	\$ 149,577
Business-type activities	1,495,377	2,113,789	3,061,332	2,001,884
Total primary government	<u>\$ 4,175,573</u>	<u>\$ 6,773,099</u>	<u>\$ 3,656,782</u>	<u>\$ 2,151,461</u>

Source: City of Aurora financial records.

(A) Amounts have been restated to reflect the implementation of GASB Statement No. 84 during 2019.

	<u>2018 (A)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	3,515,393	\$ 3,921,599	\$ 3,846,038	\$ 3,984,464	\$ 4,418,191	\$ 4,465,513
	15,017,040	16,155,683	15,321,437	19,521,925	22,506,179	23,632,721
	714,820	683,980	725,122	771,307	821,182	805,859
	351,484	945,750	864,775	(242,990)	(1,309,973)	1,772,715
	750,965	425,229	1,455,184	1,165,937	414,922	339,431
	(509,474)	(574,308)	(1,095,595)	(913,990)	(220,892)	(165,302)
	<u>19,840,228</u>	<u>21,557,933</u>	<u>21,116,961</u>	<u>24,286,653</u>	<u>26,629,609</u>	<u>30,850,937</u>
	-	-	-	-	6,692	11,498
	27,219	27,067	36,508	44,158	18,104	36,880
	509,474	574,308	1,095,595	913,990	220,892	165,302
	<u>536,693</u>	<u>601,375</u>	<u>1,132,103</u>	<u>958,148</u>	<u>245,688</u>	<u>213,680</u>
\$	<u>20,376,921</u>	<u>22,159,308</u>	<u>22,249,064</u>	<u>25,244,801</u>	<u>26,875,297</u>	<u>31,064,617</u>
\$	3,255,371	\$ 8,976,213	\$ 2,841,253	\$ 7,960,094	\$ 8,507,623	\$ 11,324,402
	3,776,611	1,812,627	2,187,053	2,742,983	2,329,520	2,455,207
\$	<u>7,031,982</u>	<u>10,788,840</u>	<u>5,028,306</u>	<u>10,703,077</u>	<u>10,837,143</u>	<u>13,779,609</u>

TABLE 3

CITY OF AURORA, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 69,398	\$ 117,022	\$ 249,492	\$ 300,960
Committed	738,720	793,148	791,894	770,650
Assigned	144,799	222,320	61,539	124,827
Unassigned	8,245,297	8,724,111	9,988,003	10,077,707
Total general fund	<u>\$ 9,198,214</u>	<u>\$ 9,856,601</u>	<u>\$ 11,090,928</u>	<u>\$ 11,274,144</u>
All Other Governmental Funds				
Nonspendable	\$ 5,655	\$ 13,591	\$ 87,783	\$ 84,689
Restricted	4,861,991	4,253,019	3,862,797	4,353,988
Committed	2,515,936	2,886,529	3,022,135	3,017,836
Assigned	4,619,578	4,399,325	3,673,157	3,251,609
Unassigned (deficit)	-	-	-	-
Total all other governmental funds	<u>\$ 12,003,160</u>	<u>\$ 11,552,464</u>	<u>\$ 10,645,872</u>	<u>\$ 10,708,122</u>

Source: City of Aurora financial records.

(A) Amounts have been restated to reflect the implementation of GASB Statement No. 84 during 2019.

<u>2018 (A)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 299,095	\$ 293,183	\$ 258,694	\$ 202,642	\$ 266,396	\$ 314,734
834,870	903,943	999,183	826,458	1,048,046	1,126,218
100,857	140,701	378,191	299,632	218,608	256,093
9,231,139	10,491,863	11,247,029	13,064,730	14,417,994	14,677,194
<u>\$ 10,465,961</u>	<u>\$ 11,829,690</u>	<u>\$ 12,883,097</u>	<u>\$ 14,393,462</u>	<u>\$ 15,951,044</u>	<u>\$ 16,374,239</u>
\$ 64,888	\$ 55,488	\$ 50,881	\$ 66,328	\$ 63,829	\$ 134,915
3,987,210	3,826,725	3,170,641	3,103,784	3,017,686	3,027,946
3,202,328	3,507,773	3,959,172	4,295,159	5,581,231	7,486,752
2,700,932	2,608,948	1,974,413	2,110,773	2,552,306	5,099,933
(16,470)	-	(41,458)	-	-	-
<u>\$ 9,938,888</u>	<u>\$ 9,998,934</u>	<u>\$ 9,113,649</u>	<u>\$ 9,576,044</u>	<u>\$ 11,215,052</u>	<u>\$ 15,749,546</u>

TABLE 4

CITY OF AURORA, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues				
Municipal income taxes	\$ 13,203,520	\$ 13,869,859	\$ 14,034,794	\$ 14,804,510
Real and other taxes	2,989,382	3,050,665	3,095,928	3,151,569
Other local taxes	960,362	534,783	598,857	410,958
Charges for services	698,150	638,196	557,452	645,808
Licenses and permits	292,395	284,851	368,526	478,611
Fines and forfeitures	22,695	26,453	31,421	39,747
Intergovernmental	1,873,350	1,991,832	1,851,803	1,820,527
Investment income & change in fair value of investments	71,563	75,977	268,149	170,076
Rental income	7,235	7,402	7,269	9,451
Contributions and donations	15,950	32,000	17,000	6,500
Other	134,188	206,296	473,090	622,105
Total revenues	<u>20,268,790</u>	<u>20,718,314</u>	<u>21,304,289</u>	<u>22,159,862</u>
Expenditures				
Current:				
General government	2,089,725	2,498,448	2,285,051	2,368,314
Security of persons and property	7,554,108	7,857,501	8,161,287	8,435,504
Public health and welfare	-	-	-	-
Transportation	2,870,022	3,126,803	3,423,603	2,960,295
Community environment	1,011,197	949,579	1,077,257	1,136,253
Leisure time activity	1,519,736	1,627,403	1,690,833	1,854,255
Capital outlay	1,308,787	2,940,173	2,511,481	3,400,354
Debt service				
Principal retirement	898,740	932,727	940,088	900,671
Interest and fiscal charges	244,509	213,989	181,776	149,705
Debt issuance costs	-	-	-	-
Total expenditures	<u>17,496,824</u>	<u>20,146,623</u>	<u>20,271,376</u>	<u>21,205,351</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,771,966</u>	<u>571,691</u>	<u>1,032,913</u>	<u>954,511</u>
Other financing sources (uses)				
Loan issuance	19,010	-	-	-
Note issuance	-	-	-	-
Loans payable agreement	-	-	-	-
Lease purchase agreement	-	-	-	-
Insurance proceeds	-	-	-	-
Sale of capital assets	-	-	58,822	24,955
Transfers in	3,173,000	2,923,000	2,223,000	3,758,000
Transfers out	<u>(3,387,000)</u>	<u>(3,287,000)</u>	<u>(2,987,000)</u>	<u>(4,492,000)</u>
Total other financing sources (uses)	<u>(194,990)</u>	<u>(364,000)</u>	<u>(705,178)</u>	<u>(709,045)</u>
Net change in fund balances	<u>\$ 2,576,976</u>	<u>\$ 207,691</u>	<u>\$ 327,735</u>	<u>\$ 245,466</u>
Capital expenditures	430,279	3,013,976	2,039,878	2,960,790
Debt service as a percentage of noncapital expenditures	6.70%	6.69%	6.15%	5.76%

Source: City of Aurora financial records.

(A) Amounts have been restated to reflect the implementation of GASB Statement No. 84 during 2019.

<u>2018 (A)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 14,725,370	\$ 15,777,740	\$ 15,410,488	\$ 19,069,986	\$ 21,616,729	\$ 23,660,305
3,174,940	3,413,619	3,493,389	3,571,751	3,705,918	3,932,687
408,181	424,821	358,837	435,361	522,127	575,333
630,522	632,796	392,290	417,653	586,409	687,590
546,732	550,424	380,078	463,605	555,891	579,662
47,716	54,505	39,406	70,765	47,799	63,237
1,795,236	1,731,827	2,960,616	2,200,312	2,425,205	2,308,982
356,579	1,009,987	896,447	(241,800)	(1,298,039)	1,728,498
16,202	17,105	15,654	14,904	20,610	21,790
11,000	10,500	7,000	33,852	55,125	42,779
750,965	425,229	1,193,360	1,568,132	378,669	324,755
<u>22,463,443</u>	<u>24,048,553</u>	<u>25,147,565</u>	<u>27,604,521</u>	<u>28,616,443</u>	<u>33,925,618</u>
2,420,697	2,478,792	2,818,546	2,504,458	2,909,053	3,153,352
8,855,579	8,554,213	9,028,982	10,032,795	9,949,959	10,717,232
-	-	203,921	-	-	-
3,442,330	2,661,164	2,903,939	2,952,857	2,976,215	3,171,263
1,209,600	1,287,807	1,289,710	1,448,963	1,394,856	1,405,298
1,878,308	1,827,323	1,739,560	2,007,136	2,140,434	2,461,772
4,728,421	5,366,381	6,100,194	6,048,437	5,543,053	7,023,802
925,362	327,838	463,187	1,067,985	684,621	702,907
117,666	94,913	90,119	96,627	103,522	83,697
-	-	-	3,137	-	-
<u>23,577,963</u>	<u>22,598,431</u>	<u>24,638,158</u>	<u>26,162,395</u>	<u>25,701,713</u>	<u>28,719,323</u>
(1,114,520)	1,450,122	509,407	1,442,126	2,914,730	5,206,295
-	-	-	154,600	-	-
-	475,000	-	-	-	-
-	-	110,000	833,280	-	-
-	-	510,000	-	-	-
-	-	56,652	-	-	-
21,093	8,653	17,063	412,754	511,860	46,394
3,446,622	3,740,000	3,650,000	4,101,000	5,773,000	10,403,000
<u>(3,870,622)</u>	<u>(4,250,000)</u>	<u>(4,685,000)</u>	<u>(4,971,000)</u>	<u>(6,003,000)</u>	<u>(10,698,000)</u>
<u>(402,907)</u>	<u>(26,347)</u>	<u>(341,285)</u>	<u>530,634</u>	<u>281,860</u>	<u>(248,606)</u>
<u>\$ (1,517,427)</u>	<u>\$ 1,423,775</u>	<u>\$ 168,122</u>	<u>\$ 1,972,760</u>	<u>\$ 3,196,590</u>	<u>\$ 4,957,689</u>
4,425,478	4,404,855	5,136,614	5,180,330	3,743,452	5,372,613
5.45%	2.32%	2.84%	5.55%	3.59%	3.37%

TABLE 5

CITY OF AURORA, OHIO

**REAL AND PUBLIC UTILITY PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Year	Net Tax Levy (Current Billed Portion)	Current Collections	Percent of Current Collections to Net Levy	Delinquent Collections	Total Collections	Percent of Total Collections to Levy	Current Delinquent Amount
2014	\$ 3,404,108	\$ 3,313,137	97.33%	\$ 60,273	\$ 3,373,410	99.10%	\$ 90,971
2015	3,431,081	3,368,349	98.17%	66,670	3,435,019	100.11%	62,732
2016	3,501,702	3,438,636	98.20%	56,921	3,495,557	99.82%	63,066
2017	3,540,218	3,468,133	97.96%	79,929	3,548,062	100.22%	72,085
2018	3,577,698	3,515,584	98.26%	63,660	3,579,244	100.04%	62,114
2019	3,848,697	3,776,686	98.13%	62,341	3,839,027	99.75%	72,011
2020	3,915,886	3,827,715	97.75%	97,861	3,925,576	100.25%	88,171
2021	3,974,942	3,914,566	98.48%	94,436	4,009,002	100.86%	60,376
2022	4,180,940	4,100,596	98.08%	65,343	4,165,939	99.64%	80,344
2023	4,252,160	4,185,453	98.43%	110,268	4,295,721	101.02%	66,707

Source: Portage County Auditor

Note: Delinquent collections include penalties and interest since Ohio law requires them to become part of taxes. Delinquent taxes are presented by collection year rather than by levy year since the County does not maintain information on delinquencies by levy year.

TABLE 6

CITY OF AURORA, OHIO

**TANGIBLE PERSONAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Year	Net Tax Levy (Current Billed Portion)	Current Collections	Percent of Current Collections to Net Levy	Delinquent Collections	Total Collections	Percent of Total Collections to Levy	Current Delinquent Amount
2014	\$ -	\$ -	-	\$ 11	\$ 11	-	\$ -
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-

Source: Portage County Auditor

Note: Delinquent collections include penalties and interest since Ohio law requires them to become part of taxes. Delinquent taxes are presented by collection year rather than by levy year since the County does not maintain information on delinquencies by levy year.

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TABLE 7

CITY OF AURORA, OHIO

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS**

Tax Year	Collection Year	Real Property		Public Utility Property	
		Estimated Actual Value (A)	Assessed Value	Estimated Actual Value (B)	Assessed Value
2014	2015	\$ 1,640,835,429	\$ 574,292,400	\$ 11,709,455	\$ 10,304,320
2015	2016	1,692,748,886	592,462,110	11,997,625	10,557,910
2016	2017	1,715,859,029	600,550,660	13,271,716	11,679,110
2017	2018	1,738,511,400	608,478,990	13,692,466	12,049,370
2018	2019	1,983,041,000	694,064,350	18,117,511	15,943,410
2019	2020	2,025,816,714	709,035,850	18,796,125	16,540,590
2020	2021	2,057,999,657	720,299,880	19,862,386	17,478,900
2021	2022	2,279,527,657	797,834,680	20,533,830	18,069,770
2022	2023	2,325,470,886	813,914,810	22,407,761	19,718,830
2023	2024	2,392,675,857	837,436,550	23,252,432	20,462,140

Source: Portage County Auditor

Notes:

(A) Real property is assessed at 35% of actual value.

(B) Public utility is assessed at 88% of actual value.

Total			
Estimated Actual Value	Assessed Value	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
\$ 1,652,544,884	\$ 584,596,720	7.66	35.38%
1,704,746,511	603,020,020	7.65	35.37%
1,729,130,745	612,229,770	7.63	35.41%
1,752,203,866	620,528,360	7.62	35.41%
2,001,158,511	710,007,760	7.55	35.48%
2,044,612,839	725,576,440	7.53	35.49%
2,077,862,044	737,778,780	7.52	35.51%
2,300,061,487	815,904,450	7.47	35.47%
2,347,878,647	833,633,640	7.45	35.51%
2,415,928,289	857,898,690	7.45	35.51%

TABLE 8

CITY OF AURORA, OHIO

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (PER \$1,000 OF ASSESSED VALUATION)
 LAST TEN YEARS

Tax Year	Collection Year	County Levy	School Levy	Portage County District Board of Health	Portage Park District	Portage County District Library	City of Aurora	Total Levy
2014	2015	13.62	80.78	0.40	0.50	-	7.66	102.96
2015	2016	13.62	80.68	0.40	0.50	-	7.65	102.85
2016	2017	13.62	79.11	0.40	0.50	-	7.63	101.26
2017	2018	13.62	84.99	0.40	0.50	-	7.62	107.13
2018	2019	13.62	84.69	0.40	0.50	-	7.55	106.76
2019	2020	13.62	84.63	0.40	0.50	-	7.53	106.68
2020	2021	13.62	84.48	0.40	0.50	-	7.52	106.52
2021	2022	14.12	84.32	0.40	0.50	1.00	7.47	107.81
2022	2023	14.12	84.27	0.40	0.50	1.00	7.45	107.74
2023	2024	14.12	90.12	0.40	0.50	1.00	7.45	113.59

Source: Portage County Auditor

TABLE 9

CITY OF AURORA, OHIO

CITY - WIDE PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)
 LAST TEN YEARS

Tax Year	Collection Year	Inside Operating	Road and Bridge	Police	Fire/ Paramedic	Bond Retirement	Total Tax Rate
2014	2015	2.40	0.90	0.90	2.80	0.66	7.66
2015	2016	2.40	0.90	0.90	2.80	0.65	7.65
2016	2017	2.40	0.90	0.90	2.80	0.63	7.63
2017	2018	2.40	0.90	0.90	2.80	0.62	7.62
2018	2019	2.40	0.90	0.90	2.80	0.55	7.55
2019	2020	2.40	0.90	0.90	2.80	0.53	7.53
2020	2021	2.40	0.90	0.90	2.80	0.52	7.52
2021	2022	2.40	0.90	0.90	2.80	0.47	7.47
2022	2023	2.40	0.90	0.90	2.80	0.45	7.45
2023	2024	2.40	0.90	0.90	2.80	0.45	7.45

Source: Portage County Auditor

TABLE 10

CITY OF AURORA, OHIO

REAL PROPERTY PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Name of Taxpayer</u>	<u>December 31, 2023</u>	
	<u>Valuation</u>	<u>Percent of Total</u>
First Energy Service Co.	\$ 18,350,790	2.14%
CPG Partners LP	8,479,100	0.99%
McMaster Carr Supply Company	7,095,520	0.83%
Aurora Owner 1 LLC	6,962,870	0.81%
Lakes of Aurora	6,475,160	0.75%
Lument RE Capital	4,863,320	0.57%
Great Lakes Senior Living	3,803,420	0.44%
777 Lena	3,343,220	0.39%
Hawthorn of Aurora	3,342,890	0.39%
Aurora Chillicothe Road LLC	3,129,990	0.36%
Total	<u>\$ 65,846,280</u>	<u>7.67%</u>
Total Assessed Valuation - Real Property	<u>\$ 857,898,690</u>	

<u>Name of Taxpayer</u>	<u>December 31, 2014</u>	
	<u>Valuation</u>	<u>Percent of Total</u>
Ohio Edison Co.	\$ 8,035,420	1.37%
CPG Partners LP	7,885,750	1.35%
Keybank Real Estate Capital	6,330,950	1.08%
AERC Barrington Inc.	6,275,920	1.07%
Norton Brothers Holding Co.	3,943,840	0.67%
Health Care REIT Inc.	3,630,690	0.62%
Hawthorn of Aurora	3,595,940	0.62%
McMaster Carr Supply	3,516,480	0.60%
Custom Associates LP	2,756,190	0.47%
Rotek Inc.	2,509,510	0.43%
Total	<u>\$ 48,480,690</u>	<u>8.28%</u>
Total Assessed Valuation - Real Property	<u>\$ 584,596,720</u>	

Source: Portage County Auditor

TABLE 11

CITY OF AURORA, OHIO

INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS

<u>Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2014	2.00%	\$ 12,903,852	\$ 7,475,462	57.93%	\$ 3,182,902	24.67%	\$ 2,245,488	17.40%
2015	2.00%	13,801,710	7,992,956	57.91%	3,557,690	25.78%	2,251,064	16.31%
2016	2.00%	13,675,285	8,356,979	61.11%	3,085,534	22.56%	2,232,772	16.33%
2017	2.00%	14,538,787	8,554,126	58.84%	3,495,192	24.04%	2,499,469	17.19%
2018	2.00%	14,395,455	8,904,667	61.86%	3,006,544	20.89%	2,484,244	17.26%
2019	2.00%	15,571,383	9,538,770	61.26%	3,169,580	20.36%	2,863,033	18.39%
2020	2.00%	15,061,199	9,576,539	63.58%	2,831,649	18.80%	2,653,011	17.61%
2021	2.00%	18,821,047	11,412,251	60.64%	4,357,594	23.15%	3,051,201	16.21%
2022	2.00%	21,243,241	12,644,573	59.52%	5,173,184	24.35%	3,425,484	16.13%
2023	2.00%	23,199,929	13,436,485	57.92%	6,064,831	26.14%	3,698,613	15.94%

Source: Regional Income Tax Agency (RITA)

Note: State law prohibits disclosure of income tax information by individual taxpayer.

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TABLE 12

CITY OF AURORA, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Year	Governmental Activities					
	General Obligation Bonds	Promissory Note	OPWC Loans	Loan Payable Agreements	(D) Notes Payable	(D) Leases Payable
2014	\$ 6,599,480	-	\$ 298,537	\$ -	\$ -	\$ 148,916
2015	5,772,494	-	235,699	-	-	64,248
2016	4,917,728	-	172,859	-	-	-
2017	4,030,629	-	117,521	-	-	-
2018	3,122,077	-	69,681	-	-	-
2019	2,805,536	475,000	36,843	-	-	-
2020	2,488,995	315,000	28,656	110,000	510,000	-
2021	2,167,454	-	175,068	665,780	342,703	-
2022	1,835,913	-	135,961	499,896	173,073	-
2023	1,494,372	-	96,854	329,169	-	-

Sources:

(A) See notes to the financial statements regarding the City's debt information.

(B) See Table 18 Demographic and Economic Statistics - Last Ten Years for personal income and population.

Notes:

(C) General obligation bonds include unamortized premiums.

(D) Obligations reported as capital leases and lease purchase agreements in prior years are now reported as leases payable and notes payable, respectively, in accordance with the implementation of GASB Statement No. 87 during 2022.

Business-Type Activities

General Obligation Bonds	OWDA Loans	OPWC Loans	(A) Total Primary Government	(B) Total Personal Income	Percentage of Personal Income	(B) Population	Per Capita
\$ 472,727	\$ 2,788,944	\$ 373,757	\$ 10,682,361	\$ 649,191,192	1.65%	15,548	\$ 687
410,475	2,106,312	328,587	8,917,815	660,385,752	1.35%	15,548	574
341,002	1,395,270	295,917	7,122,776	718,690,644	0.99%	15,876	449
268,862	703,829	263,248	5,384,089	723,489,158	0.74%	15,982	337
194,957	484,988	245,578	4,117,281	744,859,620	0.55%	16,230	254
179,457	257,361	227,908	3,982,105	792,736,098	0.50%	16,338	244
163,957	20,595	210,238	3,847,441	814,906,074	0.47%	16,026	240
148,457	3,088,397	248,079	6,835,938	896,978,667	0.76%	16,809	407
132,957	5,492,113	224,546	8,494,459	1,009,297,296	0.84%	17,528	485
112,457	6,334,248	194,464	8,561,564	1,077,849,129	0.79%	17,717	483

TABLE 13

CITY OF AURORA, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Year	General Obligation Bonds (C)	Less Amounts Restricted for Repayment	Net General Obligation Bonds	(A) Estimated Actual Property Property Value	Ratio of Net Bonded Debt to Estimated Actual Value of Property	(B) Population	Net Bonded Debt Per Capita
2014	\$ 7,072,207	\$ 525,532	\$ 6,546,675	\$1,652,544,884	0.40%	15,548	\$ 421
2015	6,182,969	520,021	5,662,948	1,704,746,511	0.33%	15,548	364
2016	5,258,730	518,501	4,740,229	1,729,130,745	0.27%	15,876	299
2017	4,299,491	515,978	3,783,513	1,752,203,866	0.22%	15,982	237
2018	3,317,034	510,921	2,806,113	2,001,158,511	0.14%	16,230	173
2019	2,984,993	505,152	2,479,841	2,044,612,839	0.12%	16,338	152
2020	2,652,952	499,858	2,153,094	2,077,862,044	0.10%	16,026	134
2021	2,315,911	496,810	1,819,101	2,300,061,487	0.08%	16,809	108
2022	1,968,870	490,983	1,477,887	2,347,878,647	0.06%	17,528	84
2023	1,606,829	482,677	1,124,152	2,415,928,289	0.05%	17,717	63

Sources:

(A) Portage County Auditor

(B) See Table 18 Demographic and Economic Statistics - Last Ten Years for population

Note:

(C) This amount includes both governmental activities and business type activities.

TABLE 14

CITY OF AURORA, OHIO

SPECIAL ASSESSMENT TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Year	Current Billed	Delinquent Billed	Current % Collected	Total Collected	Total % Collected	Current Delinquent
2014	\$ 53,111	\$ 19,452	0.00%	\$ 50,119	94.37%	\$ 5,720
2015	46,888	24,138	0.00%	51,739	110.35%	2,168
2016	69,071	20,052	0.00%	65,900	95.41%	15,924
2017	53,871	25,996	0.00%	71,972	133.60%	5,230
2018	48,341	8,610	0.00%	51,561	106.66%	3,283
2019	43,684	5,959	0.00%	46,880	107.32%	1,675
2020	38,874	3,174	0.00%	39,689	102.10%	1,009
2021	70,179	2,537	0.00%	69,277	98.71%	2,596
2022	42,382	4,356	0.00%	39,865	94.06%	3,836
2023	49,159	7,592	0.00%	52,572	106.94%	2,428

Source: Portage County Auditor

TABLE 15

CITY OF AURORA, OHIO

COMPUTATION OF DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2023

Jurisdiction	Governmental Activities Debt	Percentage Overlapping	Applicable to the City
Direct:			
City of Aurora	\$ 1,920,395	100.00%	\$ 1,920,395
Overlapping Debt:			
Portage County	10,225,209	18.63%	1,904,956
Aurora City School District	10,200,000	94.89%	9,678,780
Total Overlapping Debt	20,425,209		11,583,736
Total Direct and Overlapping Debt	\$ 22,345,604		\$ 13,504,131

Source: Debt outstanding for overlapping government - Ohio Municipal Advisory Council (OMAC), as of January 1, 2024.

Note: The percentage of debt outstanding applicable to the City was determined by dividing each jurisdiction's assessed valuation within the City by the jurisdiction's total assessed valuation.

TABLE 16

CITY OF AURORA, OHIO

COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS

Year	Debt Limit - Voted	Debt Limit - Unvoted	Net Debt Applicable to Limit	Debt Service Available Balance	Legal Debt Margin - Voted	Legal Debt Margin - Unvoted	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2014	\$ 61,382,656	\$ 32,152,820	\$ 4,050,000	\$ 1,342,020	\$ 58,674,676	\$ 32,152,820	6.60%
2015	63,317,102	33,166,101	3,775,000	1,210,259	60,752,361	33,166,101	5.96%
2016	64,284,126	33,672,637	3,495,000	1,086,879	61,876,005	33,672,637	5.44%
2017	65,155,478	34,129,060	3,215,000	955,356	62,895,834	34,129,060	4.93%
2018	74,550,815	39,050,427	2,930,000	510,921	72,131,736	39,050,427	3.93%
2019	76,185,526	39,906,704	2,635,000	505,152	74,055,678	39,906,704	3.46%
2020	77,466,772	40,577,833	2,340,000	499,858	75,626,630	40,577,833	3.02%
2021	85,669,967	44,874,745	2,040,000	496,810	84,126,777	44,874,745	2.38%
2022	87,531,532	45,849,850	1,730,000	490,983	86,292,515	45,849,850	1.98%
2023	90,079,362	47,184,428	1,410,000	482,677	89,152,039	47,184,428	1.57%

Source: Portage County, Ohio; County Fiscal Officer

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt. House Bill 530 became effective on March 30, 2006, which excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

TABLE 17

CITY OF AURORA, OHIO

PLEGGED REVENUE COVERAGE - SEWER FUND
LAST TEN YEARS

OWDA LOANS:

Year	Operating Revenues	Operating Expenses (A)	Net Revenue Available for Debt Service	Debt Service Requirements (B)			Coverage
				Principal	Interest	Total	
2014	\$ 2,715,500	\$ 1,386,349	\$ 1,329,151	\$ 656,380	\$ 130,809	\$ 787,189	1.69
2015	2,672,769	1,457,497	1,215,272	682,632	104,090	786,722	1.54
2016	3,072,076	1,488,347	1,583,729	711,042	57,109	768,151	2.06
2017	2,899,980	1,691,151	1,208,829	691,441	35,534	726,975	1.66
2018	3,138,740	1,470,156	1,668,584	218,841	19,490	238,331	7.00
2019	2,883,216	1,787,081	1,096,135	227,627	12,859	240,486	4.56
2020	2,788,669	1,887,279	901,390	236,766	5,963	242,729	3.71
2021	3,369,152	1,793,094	1,576,058	1,989	603	2,592	608.05
2022	3,389,309	2,248,318	1,140,991	2,059	542	2,601	438.67
2023	3,489,000	3,384,202	104,798	98,597	24,410	123,007	0.85

Source: City of Aurora financial records.

(A) Total operating expenses are exclusive of depreciation.

(B) Includes principal and interest of the OWDA loans only.

TABLE 18

CITY OF AURORA, OHIO

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

Year	Population (A)	Personal Income (C)	Per Capita Personal Income (A)	Unemployment Rates (B)		
				Portage County	Ohio	United States
2014	15,548	\$ 649,191,192	\$ 41,754	4.8%	4.8%	5.6%
2015	15,548	660,385,752	42,474	4.9%	4.7%	5.0%
2016	15,876	718,690,644	45,269	5.0%	4.9%	4.7%
2017	15,982	723,489,158	45,269	5.0%	5.0%	4.4%
2018	16,230	744,859,620	45,894	4.8%	4.8%	3.7%
2019	16,338	792,736,098	48,521	4.1%	3.8%	3.4%
2020	16,026	814,906,074	50,849	4.9%	5.2%	6.5%
2021	16,809	896,978,667	53,363	3.2%	3.4%	3.7%
2022	17,528	1,009,297,296	57,582	3.7%	3.6%	3.3%
2023	17,717	1,077,849,129	60,837	3.2%	3.1%	3.5%

Sources:

- (A) Information obtained from the U.S. Census Bureau
- (B) Information obtained from the Ohio Department of Job and Family Services
- (C) Population times per capita personal income

TABLE 19

CITY OF AURORA, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR

Employer	2023		
	Employees	Rank	Percentage of Total City Employment
McMaster-Carr Supply Co.	806	1	5.70%
Aurora City School District	623	2	4.40%
The Rovisys Company	445	3	3.15%
Anna Maria of Aurora Inc.	349	4	2.47%
Piping Rock Health Products	298	5	2.11%
Partssource Inc.	262	6	1.85%
City of Aurora	239	7	1.69%
USA Instruments Inc.	238	8	1.68%
Ilpea Industires Inc.	226	9	1.60%
Automation Plastics	176	10	1.24%
Total	3,662		25.89%
Total City Employment	14,146		

Source: Regional Income Tax Agency (RITA)

Note: Information for 9 years ago was not available. Additional data will be disclosed in future years as the information becomes available.

TABLE 20

CITY OF AURORA, OHIO

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST SEVEN YEARS

<u>Function/Program</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government							
Council	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Mayor	3.0	3.0	4.0	3.0	3.0	4.0	4.0
Finance	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Law	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Service	24.0	25.0	24.0	24.0	24.0	24.0	23.0
Engineering	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Security of Persons and Property							
Police	29.0	31.0	31.0	30.0	30.0	32.0	31.0
Dispatch	7.0	7.0	6.0	6.0	5.0	6.0	7.0
Fire	19.0	19.0	19.0	20.0	21.0	22.0	23.0
Leisure Time Activities							
Parks	5.0	5.0	5.0	5.0	5.0	7.0	7.0
Recreation	3.0	4.0	4.0	4.0	4.0	4.0	5.0
Sports	3.0	3.0	3.0	3.0	3.0	3.0	2.0
Community Environment							
Building & Zoning	7.0	7.0	7.0	7.0	7.0	8.0	8.0
Utilities							
Water	6.0	6.0	7.0	7.0	7.0	6.0	6.0
Wastewater	4.0	4.0	4.0	5.0	5.0	7.0	7.0
Total	<u>120.0</u>	<u>124.0</u>	<u>125.0</u>	<u>125.0</u>	<u>125.0</u>	<u>134.0</u>	<u>134.0</u>

Note: Numbers shown reflect total actual number of full-time
Information prior to 2017 is not available. Additional years of
information will be presented as they become available.

Source: City of Aurora Finance Department

TABLE 21

CITY OF AURORA, OHIO

OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Security of Persons and Property										
Police										
Offenses Cited	(a)	(a)	1,243	1,170	1,199	1,216	987	1,166	1,008	1,166
Dispatch Calls	(a)	22,525	23,676	19,454	17,492	14,220	15,461	18,063	16,258	26,062
Traffic Stops	(a)	3,479	3,776	2,771	3,111	2,758	1,596	3,660	4,385	7,297
Traffic Accidents	(a)	197	237	205	235	211	138	183	160	146
Juvenile Arrests	(a)	46	75	71	57	71	59	54	36	54
Fire										
EMS Response Calls	1,570	1,561	1,750	1,675	1,700	1,816	1,587	1,951	2,216	2,256
Fire Response Calls	416	436	443	462	591	629	568	591	606	560
EMS Avg. Response Time (mins.)	(a)	(a)	(a)	3.97	3.15	4.10	4.29	4.31	4.43	5.35
Fire Avg. Response Time (mins.)	(a)	(a)	(a)	4.21	4.28	5.28	6.19	5.18	7.25	5.33
Fire Prevention Inspections	(a)	(a)	(a)	396	421	375	420	420	380	301
Community Environment										
Residential Inspections	3,015	3,551	4,269	5,248	5,985	5,969	3,450	3,570	3,620	3,907
Commercial Inspections	1,018	764	559	625	622	538	407	945	643	515
New Residential Construction (millions)	\$ 18.60	\$ 21.86	\$ 26.03	\$ 27.79	\$ 38.09	\$ 30.81	\$ 26.29	\$ 27.20	\$ 56.60	\$ 39.10
New Commercial Construction (millions)	\$ 11.34	\$ 6.14	\$ 0.85	\$ 5.20	\$ 3.46	\$ 2.31	\$ 3.66	\$ 7.70	\$ 9.10	\$ 6.28
New Industrial Constructions (millions)	\$ 4.24	\$ 14.95	\$ 6.79	\$ 11.69	\$ 18.64	\$ 18.22	\$ 1.80	\$ 14.30	\$ 16.70	\$ 14.90
Water/Sewer										
Customers Served	(a)	(a)	5,501	5,546	5,686	5,813	5,855	5,909	6,008	6,082
Water Cubic Feet Used (millions)	(a)	(a)	(a)	51.35	51.53	49.87	53.14	54.50	54.10	55.84
Sewer Cubic Feet Processed (millions)	(a)	(a)	(a)	45.06	45.26	44.77	46.30	48.20	47.50	48.48

Note: Information for 10 years prior was not available for all functions/programs. Additional information will be shown as it becomes available.

(a) Information not readily available.

Source: Various City of Aurora Department Records

TABLE 22

CITY OF AURORA, OHIO

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Security of Persons and Property										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	(a)	(a)	(a)	19	19	19	19	19	19	20
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Response Vehicles	(a)	(a)	(a)	13	13	12	12	12	14	12
Public Health and Welfare										
Cemeteries	3	3	3	3	3	3	3	3	3	3
Leisure Time Activities										
Park Acreage	(a)	(a)	(a)	1,490	1,490	1,777	1,792	1,875	1,864	1,610
Parks	(a)	(a)	(a)	12	12	14	14	14	14	14
Baseball/Softball Fields	(a)	(a)	(a)	14	18	16	16	16	16	16
Soccer Fields	(a)	(a)	(a)	13	19	19	19	19	17	17
Transportation										
Streets (paved miles)	(a)	(a)	(a)	131.5	131.5	137.1	138.4	138.5	138.5	139.7
Water										
Water Mains (miles)	(a)	(a)	(a)	105.1	105.1	105.1	106.3	109.0	109.0	107.6
Sewer										
Sanitary Sewers (miles)	(a)	(a)	(a)	100.5	100.5	100.5	100.5	103.3	103.3	95.1

Note: Information for 10 years prior was not available for all functions/programs. Additional information will be shown as it becomes available.

(a) Information not readily available.

Source: Various City of Aurora Department Records

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**CITY OF AURORA
PORTAGE COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

Zupka & Associates
Certified Public Accountants

**CITY OF AURORA
PORTAGE COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023**

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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 GOVERNMENT AUDITING STANDARDS

City of Aurora
Portage County
130 S. Chillicothe Road
Aurora, Ohio 44202

To the Members of City Council:

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 City of Aurora, Portage County, Ohio, (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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.

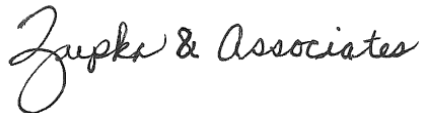
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 determination of financial statement amounts. 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.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Zupka & Associates
Certified Public Accountants

June 28, 2024

**CITY OF AURORA
PORTAGE COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023**

The prior audit report, as of December 31, 2022, included no citations of instances of noncompliance. Management letter recommendations were corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF AURORA

PORTAGE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/24/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov