

**CITY OF AURORA  
PORTAGE COUNTY, OHIO**

**AUDIT REPORT**

**FOR THE YEAR  
ENDED DECEMBER 31, 2019**

***James G. Zupka, CPA, Inc.***  
**Certified Public Accountants**



OHIO AUDITOR OF STATE  
KEITH FABER



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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 44202-6802

We have reviewed the *Independent Auditor's Report* of the City of Aurora, Portage County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2019 through December 31, 2019. 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.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

July 10, 2020

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**CITY OF AURORA  
PORTAGE COUNTY, OHIO  
AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

To the Members of City Council and the Audit  
Committee  
City of Aurora  
Aurora, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

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, 2019, 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 22, 2020, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. Also, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*.

***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 may exist that have not been identified.

### ***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.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

June 22, 2020



**CITY OF AURORA  
PORTAGE COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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The prior audit report, as of December 31, 2018, 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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CITY OF AURORA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 31, 2019



**CITY OF AURORA, OHIO**  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2019

PREPARED BY:

FINANCE DEPARTMENT  
TIMOTHY CLYMER, FINANCE DIRECTOR

*130 S. CHILLICOTHE ROAD  
AURORA, OH 44202*



## INTRODUCTORY SECTION

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**CITY OF AURORA, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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June 22, 2020

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

The Comprehensive Annual Financial Report (CAFR) of the City of Aurora, Ohio (City), for the fiscal year ended December 31, 2019, 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 16,338.

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 111. 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 112.

### **Local Economy**

As of December 2019, the unemployment rate in Portage County was 4.1%, which was above the national rate of 3.4% and above the average Ohio rate of 3.8%. Aurora's income tax base is driven by light industry, as eight of the top-10 income taxpayers in 2019 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 2019. The City's Department of Planning, Zoning and Building reviewed and inspected housing and commercial construction projects valued at more than \$51.34 million, almost \$9 million below a record-setting 2018.

Economic development activity remained steady and the City continued its proactive business attraction programs in order to attract new businesses to the City. Some 2019 projects of note include:

- The approval of Community Reinvestment Area (CRA) property tax abatements for expansions at three existing businesses in the city, resulting in the construction of an additional 55,480 square feet of commercial/industrial space in the city at a cost of over \$4 million.
- The approval of Community Reinvestment Area (CRA) property tax abatement for a new business in the city, resulting in an additional 150,000 square feet of warehouse/distribution space at a cost of almost \$10 million.
- The completion of over \$20 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 2020 budget is aggressive in addressing capital and infrastructure needs. We anticipate the expense of over \$2.3 million for the replacement of a waterline along E. Pioneer Trail including repaving the street, with an additional \$1.15mm spent towards other paving projects.

### **Long-Term Planning**

The City of Aurora's Master Plan, first adopted in 1997 – and updated and re-adopted in 2018 – 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 comprehensive annual 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 Comprehensive Annual Report (CAFR) for the fiscal year ended December 31, 2018. We believe that our current comprehensive annual 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, 2019**

**Elected Officials**

Mayor	Ann Womer Benjamin
City Council:	
President	George Horvat
At-Large	John Kudley, Jr.
At-Large	Amy McDougald Eckard
At-Large	Scott Wolf
1 <sup>st</sup> Ward	James Vaca
2 <sup>nd</sup> Ward	Dennis Kovach
3 <sup>rd</sup> Ward	Reva Barner
4 <sup>th</sup> Ward	George Horvat
5 <sup>th</sup> Ward	Kathi Grandillo
6 <sup>th</sup> Ward	Harold Hatridge
Clerk of Council	Donna Hawks

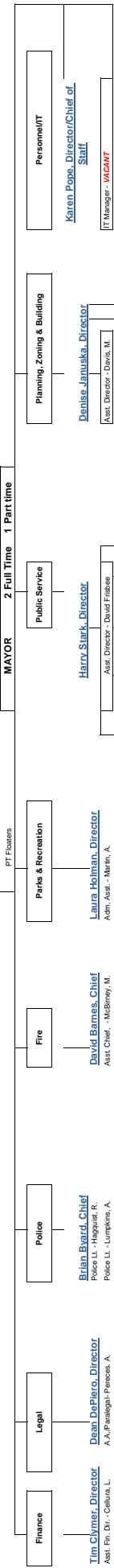
**Appointed Officials**

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	David Barnes
Law Director	Dean DePiero
Parks & Recreation Director	Laura Holman
Police Chief	Brian Byard
Director of Public Services	Harry Stark

# CITY OF AURORA, PORTAGE COUNTY Organizational Chart

**MAYOR**  
Ann Womer Benjamin

**MAYOR**  
Exec Asst-Alex, K  
Harris Bene, H/PT Economic Dev Dir  
PT Secretary - Lumpkins, E  
PT Finance



**Finance**  
5 Full Time  
Tim Clymer, Director  
Asst. Dir. - Cedara, L.  
Admin. Asst. - *VACANT*  
Accountant - Small, H.  
Payroll Admin. - Mary Janus

**Legal | DuPiero - contract**  
1 FT  
Deani DePiero, Director  
A.A. Paragiani - Paragos, A.

**Police**  
26 FT Police Officers  
Brian Beard, Chief  
Sergeant - Roy, M.  
Sergeant - Donock, P.  
Sergeant - Kalk, D.  
Sergeant - Long, K.  
Sergeant - Stubby, S.  
PO - Brown, S.  
PO - Bugarski, J.  
PO - Byers, B.  
PO - Chase, M.  
PO - Chase, C.  
PO - D'Olivo, D.  
PO - Kradick, J.  
PO - Krupar, A.  
PO - Les, Michelle  
PO - Kraft, B.  
PO - *VACANT*  
PO - Pichonick, M.  
PO - Pridan, D.  
PO - Reiter, C.  
PO - Riley, D.  
PO - Scott, A.  
PO - Strasiak, M.  
PO - Tromba, M.  
PO - Timb, Antonio  
PO - Washington, M.

**Fire**  
19 Full Time  
34 Part Time  
David Barnes, Chief  
Asst. Chief - Milbray, M.  
Captain - Shano, S.  
Captain - Malowski, R.  
Captain - Hudson, CW  
LI - Grenzi, E.  
LI - Marotta, A.  
FF/Para - Anders, P.  
FF/Para - Crisman, M.  
FF/Para - Hozzman, J.  
FF/Para - Horvath, D.  
FF/Para - Justus, D.  
FF/Para - Sirk, J.  
FF/Para - Mullen, C.  
FF/Para - Orlowski, M.  
FF/Para - Scott, L.  
Admin. Asst. - Snodden, J.  
Part Time FF Paramedics  
Anders, Phil  
Boyko, B.  
Calko, C.  
Dahley, J.  
Cole, B.  
Gellardi, M.  
Hill, T.  
Lebin, J.  
Longo, K.  
Lutz, B.  
Lutz, S.  
Machyko, J.  
McClenock, P.  
MCGhee, J.  
Mikech, M.  
Miller, B.  
Miller, G.  
Narotny, B.  
Pire, J.  
Riley, J.  
Roland, S.  
Schmuder, J.  
Sessions, C.  
Stinson, C.  
Stoner, A.  
Thompson, M.  
Tyler, J.  
Vajko, M.  
Wair, A.  
Wain, A.  
Walsh, B.  
Wentz, S.  
Wojcik, D.  
*VACANT*  
Benner, T

**Parks & Recreation**  
14 Full Time  
14 Part Time  
TBD Seasonal  
Laura Holman, Director  
Asst. Asst. - Hene, A.  
Sac. Com. Ed. Coord.  
Twardak, C.  
Parks Coord.  
Fellmeisen, W.  
Parks Maintenance  
Allenhoasa, T.  
Kudley, III, J.  
Germann, M.  
Miller, N.  
Field/Grounds Coord.  
Field/Grounds Maintenance  
Cook, M.  
Adorad  
Avrora, B.  
Sports Coordinator  
Poremba, Ed  
Senior Coordinator  
Marrin, C.  
Part Time  
PT Special Events Coord.  
Nichols, J.  
Sports Mentor  
Famagallito, J. *Vacant*  
Kocinski, L. *Vacant*  
Kosch, B.  
Truly, C.  
Van Driks  
Cair, R.  
Alko, F.  
Conroy, S.  
Kohn, R.  
Robinson, J.  
Gegler, C.  
Seasonal Staff  
Parks Maintenance (7-10)  
Field Crew (7-10)

**Engineering Division**  
3 Full Time  
1 Part Time  
Engineer - Czekaj, J.  
Engineer - Cooper, S.  
Const. Ins. Mgr. - Verner, E.  
*VACANT* PT Eng/Eng/Tech  
Public Works  
Diana, K.  
Dean, C.  
Miller, J.  
Smith, J.  
New Supervisor  
Service Tech I  
Lee, R.  
Service Tech II  
Amour, M.  
Chickak, P.  
Chick, K.  
Peller, M.  
Boedock, C.  
Ferry, D.  
Hanna, J.  
Kroehlein, D.  
Kroshinsky, R.  
Kozsash, Justin  
Phelan, K.  
Shambin, B.  
Stoff, M.  
Stor, J.  
Winkel, G.  
Tong, R.  
Palaterson, M.  
*VACANT*  
Full Time

**Public Service**  
38 Full Time  
1 Part Time  
Herro Siefert, Director  
Asst. Director - David Frische  
Division  
Water  
Clerk-Trellian, M.  
Clerk-Martin, S.  
Checks  
Clerk-Young, S.  
Clerk-Trellian, M.  
Clerk-Martin, S.  
Service  
Asst. Asst. - Stasko, K.  
Secretary - Stanton, S.  
Secretary - Stanton, M.  
Service Supervisor  
Fowler, K.  
Service Tech I  
Lee, R.  
Service Tech II  
Amour, M.  
Chickak, P.  
Chick, K.  
Peller, M.  
Boedock, C.  
Ferry, D.  
Hanna, J.  
Kroehlein, D.  
Kroshinsky, R.  
Kozsash, Justin  
Phelan, K.  
Shambin, B.  
Stoff, M.  
Stor, J.  
Winkel, G.  
Tong, R.  
Palaterson, M.  
*VACANT*  
Full Time

**Engineering Division**  
3 Full Time  
1 Part Time  
Engineer - Czekaj, J.  
Engineer - Cooper, S.  
Const. Ins. Mgr. - Verner, E.  
*VACANT* PT Eng/Eng/Tech  
Public Works  
Diana, K.  
Dean, C.  
Miller, J.  
Smith, J.  
New Supervisor  
Service Tech I  
Lee, R.  
Service Tech II  
Amour, M.  
Chickak, P.  
Chick, K.  
Peller, M.  
Boedock, C.  
Ferry, D.  
Hanna, J.  
Kroehlein, D.  
Kroshinsky, R.  
Kozsash, Justin  
Phelan, K.  
Shambin, B.  
Stoff, M.  
Stor, J.  
Winkel, G.  
Tong, R.  
Palaterson, M.  
*VACANT*  
Full Time

**Westminster Facilities**  
7 Full Time  
Manager  
Krispinsky, A.  
Supervisor  
Sierca, J.  
Service Tech. II  
Riche, E.  
Roch, S.  
Pavani, S. - Maintenance  
4 Full Time

**PLANNING ZONING & BLDG.**  
7 Full Time  
7 Part Time  
Denise Januska, Director  
Asst. Director - Davis, M.  
Asst. Asst. - Lawrie, M.  
Secretary - Demillon, R.  
Secretary - Gustadurka, C.  
BBQ/Building Inspector  
Baker, M.  
Part Time  
GISD - Mehler, D.  
GIS - Coghlin, D.  
GIS - Sobala, C.  
City Architect/Plans Examiner - Bohanan, C.  
Inspections  
Penne, David  
Bureau, R.  
Hill, T.  
PLANNING ZONING & BLDG.  
7 Full Time  
7 Part Time

**EMPLOYEE COUNT**  
Full Time Employees  
Part Time Employees  
Does not include seasonal or temporarys.  
126  
75





Government Finance Officers Association

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Reporting

Presented to

**City of Aurora  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO

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## FINANCIAL SECTION

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**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Members of City Council and the Audit  
Committee  
City of Aurora  
Aurora, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

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

### ***Emphasis of Matter***

As discussed in Note 19 to the basic financial statements, during 2019, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. Also, as discussed in Note 3 to the basic financial statements, the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to these matters.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

June 22, 2020

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## CITY OF AURORA, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (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, 2019. 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 2019 are as follows:

- The total net position of the City increased \$10,788,840. Net position of governmental activities increased \$8,976,213 or 10.65% from 2018's restated net position. Net position of business-type activities increased \$1,812,627 or 3.44% from 2018's net position. See Note 3.B in the notes to the financial statements for the restatement required for the implementation of GASB Statement No. 84.
- General revenues accounted for \$22,132,241 or 89.61% of total governmental activities revenue. Program specific revenues accounted for \$2,565,681 or 10.39% of total governmental activities revenue.
- The City had \$15,147,401 in expenses related to governmental activities; \$2,565,681 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$12,581,720 were offset by general revenues (primarily property taxes, municipal income taxes, and unrestricted grants and entitlements) of \$22,132,241.
- The City's major governmental funds are the general fund, the fire paramedic levy fund, and the capital improvements fund. The general fund had revenues and other financing sources of \$20,005,814 and expenditures and other financing uses of \$18,642,085 during 2019. The net increase in fund balance for the general fund was \$1,363,729 or 13.03%.
- The fire paramedic levy fund had revenues and other financing sources of \$939,057 and expenditures of \$828,143 during 2019. The net increase in the fund balance for the fire paramedic levy fund was \$110,914 or 1,627.74%.
- The capital improvements fund had revenues and other financing sources of \$2,555,594 and expenditures of \$2,386,195 during 2019. The net increase in the fund balance for the capital improvements fund was \$169,399 or 6.09%.
- Business-type activities include operations of the City's water, sewer, and cemetery enterprise funds. The net position of the business-type activities totaled \$54,537,074 at December 31, 2019. General revenues accounted for \$27,067 or 0.36% of total business-type activities revenue, while program specific revenues accounted for \$7,481,924 or 99.64% 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.

## CITY OF AURORA, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

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, the fire paramedic levy 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.

#### **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 2019?" 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 operations are reported here.

The City's statement of net position and statement of activities can be found on pages 21-23 of this report.

#### **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, the fire paramedic levy fund, and the capital improvements fund. The City's major enterprise funds are the water fund and the sewer fund. The analysis of the City's major governmental funds begins on page 14.

## CITY OF AURORA, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

#### ***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.

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, the fire paramedic levy 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. The basic governmental fund financial statements can be found on pages 24-29 of this report.

#### ***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 activity. 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 and perpetual care fund is considered a nonmajor fund and is combined into a single, aggregated presentation in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 30-33 of this report.

#### ***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. The basic fiduciary fund financial statements can be found on pages 34-35 of this report.

#### ***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. These notes to the basic financial statements can be found on pages 37-90 of this report.

#### ***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. The required supplementary information can be found on pages 92-106 of this report.

**CITY OF AURORA, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(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, 2019 and December 31, 2018. The net position at December 31, 2018 has been restated as described in Note 3.B in the notes to the basic financial statements.

	<b>Net Position</b>					
		(Restated)				(Restated)
	Governmental Activities 2019	Governmental Activities 2018	Business-type Activities 2019	Business-type Activities 2018	Total 2019	Total 2018
<u>Assets</u>						
Current and other assets	\$ 32,282,473	\$ 30,606,536	\$ 15,373,443	\$ 13,999,547	\$ 47,655,916	\$ 44,606,083
Capital assets, net	<u>93,134,619</u>	<u>91,473,002</u>	<u>42,104,671</u>	<u>41,497,807</u>	<u>135,239,290</u>	<u>132,970,809</u>
Total assets	<u>125,417,092</u>	<u>122,079,538</u>	<u>57,478,114</u>	<u>55,497,354</u>	<u>182,895,206</u>	<u>177,576,892</u>
<u>Deferred Outflows of Resources</u>						
Unamortized deferred charges	115,951	130,597	-	-	115,951	130,597
Pension	6,520,615	3,275,360	635,445	240,759	7,156,060	3,516,119
OPEB	<u>1,540,871</u>	<u>1,602,836</u>	<u>141,673</u>	<u>56,085</u>	<u>1,682,544</u>	<u>1,658,921</u>
Total deferred outflows of resources	<u>8,177,437</u>	<u>5,008,793</u>	<u>777,118</u>	<u>296,844</u>	<u>8,954,555</u>	<u>5,305,637</u>
<u>Liabilities</u>						
Current and other liabilities	2,533,249	2,921,506	351,499	269,255	2,884,748	3,190,761
Long-term liabilities outstanding:						
Due within one year	471,127	360,253	260,601	260,297	731,728	620,550
Net pension liability	22,646,158	15,823,853	1,735,503	866,428	24,381,661	16,690,281
Net OPEB liability	5,448,960	13,600,097	845,322	604,812	6,294,282	14,204,909
Other amounts	<u>4,164,487</u>	<u>4,046,584</u>	<u>451,523</u>	<u>716,431</u>	<u>4,616,010</u>	<u>4,763,015</u>
Total liabilities	<u>35,263,981</u>	<u>36,752,293</u>	<u>3,644,448</u>	<u>2,717,223</u>	<u>38,908,429</u>	<u>39,469,516</u>
<u>Deferred Inflows of Resources</u>						
Property taxes	3,912,152	3,845,878	-	-	3,912,152	3,845,878
Pension	481,678	1,812,343	53,651	270,242	535,329	2,082,585
OPEB	<u>637,286</u>	<u>354,598</u>	<u>20,059</u>	<u>82,286</u>	<u>657,345</u>	<u>436,884</u>
Total deferred inflows of resources	<u>5,031,116</u>	<u>6,012,819</u>	<u>73,710</u>	<u>352,528</u>	<u>5,104,826</u>	<u>6,365,347</u>
<u>Net Position</u>						
Net investment in capital assets	89,432,929	88,152,576	41,328,410	40,567,695	130,761,339	128,720,271
Restricted	4,776,141	4,457,516	-	-	4,776,141	4,457,516
Unrestricted	<u>(909,638)</u>	<u>(8,286,873)</u>	<u>13,208,664</u>	<u>12,156,752</u>	<u>12,299,026</u>	<u>3,869,879</u>
Total net position (restated)	<u>\$ 93,299,432</u>	<u>\$ 84,323,219</u>	<u>\$ 54,537,074</u>	<u>\$ 52,724,447</u>	<u>\$ 147,836,506</u>	<u>\$ 137,047,666</u>

## CITY OF AURORA, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019 (UNAUDITED)

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.

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.

**CITY OF AURORA, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

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, 2019, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$93,299,432.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At year-end, capital assets represented 74.26% of total assets. 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, 2019 was \$89,432,929. 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.

A portion of the City's net position, \$4,776,141, 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 (\$909,638).

The following tables show the changes in net position for 2019 and 2018. The net position at December 31, 2018 has been restated as described in Note 3.B in the notes to the basic financial statements.

	<b>Change in Net Position</b>					
	(Restated)				(Restated)	
	Governmental	Governmental	Business-type	Business-type		
	Activities	Activities	Activities	Activities	2019	2018
	2019	2018	2019	2018	Total	Total
Revenues:						
Program revenues:						
Charges for services	\$ 1,252,044	\$ 1,238,522	\$ 6,767,274	\$ 7,134,279	\$ 8,019,318	\$ 8,372,801
Operating grants and contributions	1,239,295	947,282	-	-	1,239,295	947,282
Capital grants and contributions	74,342	3,644,367	714,650	1,985,945	788,992	5,630,312
Total program revenues	<u>2,565,681</u>	<u>5,830,171</u>	<u>7,481,924</u>	<u>9,120,224</u>	<u>10,047,605</u>	<u>14,950,395</u>
General revenues:						
Property taxes	3,921,599	3,515,393	-	-	3,921,599	3,515,393
Income taxes	16,155,683	15,017,040	-	-	16,155,683	15,017,040
Grants and entitlements	683,980	714,820	-	-	683,980	714,820
Investment earnings	945,750	351,484	-	-	945,750	351,484
Miscellaneous	425,229	750,965	27,067	27,219	452,296	778,184
Total general revenues	<u>22,132,241</u>	<u>20,349,702</u>	<u>27,067</u>	<u>27,219</u>	<u>22,159,308</u>	<u>20,376,921</u>
Total revenues	<u>24,697,922</u>	<u>26,179,873</u>	<u>7,508,991</u>	<u>9,147,443</u>	<u>32,206,913</u>	<u>35,327,316</u>

--Continued

**CITY OF AURORA, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

**Change in Net Position - (Continued)**

	(Restated)				(Restated)	
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	2019	2018
	2019	2018	2019	2018	Total	Total
Program expenses:						
General government	\$ 3,171,527	\$ 2,819,139	\$ -	\$ -	\$ 3,171,527	\$ 2,819,139
Security of persons and property	2,807,343	11,203,057	-	-	2,807,343	11,203,057
Transportation	4,970,118	4,631,431	-	-	4,970,118	4,631,431
Community environment	1,737,072	1,426,245	-	-	1,737,072	1,426,245
Leisure time activity	2,373,722	2,224,217	-	-	2,373,722	2,224,217
Interest and fiscal charges	87,619	110,939	-	-	87,619	110,939
Water	-	-	3,444,736	3,414,361	3,444,736	3,414,361
Sewer	-	-	2,747,753	2,384,780	2,747,753	2,384,780
Other business-type activities	-	-	78,183	81,165	78,183	81,165
Total program expenses	<u>15,147,401</u>	<u>22,415,028</u>	<u>6,270,672</u>	<u>5,880,306</u>	<u>21,418,073</u>	<u>28,295,334</u>
Change in net position before transfers	9,550,521	3,764,845	1,238,319	3,267,137	10,788,840	7,031,982
Transfers	<u>(574,308)</u>	<u>(509,474)</u>	<u>574,308</u>	<u>509,474</u>	<u>-</u>	<u>-</u>
Change in net position	8,976,213	3,255,371	1,812,627	3,776,611	10,788,840	7,031,982
Net position at beginning of year (restated)	<u>84,323,219</u>	<u>81,067,848</u>	<u>52,724,447</u>	<u>48,947,836</u>	<u>137,047,666</u>	<u>130,045,674</u>
Net position at end of year	<u>\$ 93,299,432</u>	<u>\$ 84,323,219</u>	<u>\$ 54,537,074</u>	<u>\$ 52,724,447</u>	<u>\$ 147,836,506</u>	<u>\$ 137,047,666</u>

**Governmental Activities**

Governmental activities net position increased \$8,976,213 in 2019. The three primary general revenue sources of governmental activities are property taxes, municipal income taxes, and investment earnings. These revenue sources increased overall during 2019, which is mainly a result of the City receiving an increase in municipal income tax receipts during 2019 as compared to 2018.

Security of persons and property, which primarily supports the operations of the police and fire departments, accounted for \$2,807,343 of the total expenses of the City. These expenses were partially funded by \$6,518, \$10,519 and \$16,860 in direct charges to users of the services, operating grants and contributions and capital grants and contributions, respectively. These expenses decreased \$8,395,714 or 74.94% in 2019. This decrease is primarily the result of a significant decrease in the OP&F portion of the net OPEB liability. This decrease is due to OP&F's liability no longer based on health care claims but, were switched to a stipend-based health care model. Retirees are now provided with a stipend for the employee to purchase their own insurance resulting in the net OPEB liability decrease.

Transportation expenses were also significant, totaling \$4,970,118. These expenses were funded by \$1,225,276 in operating grants and contributions.

**CITY OF AURORA, OHIO**

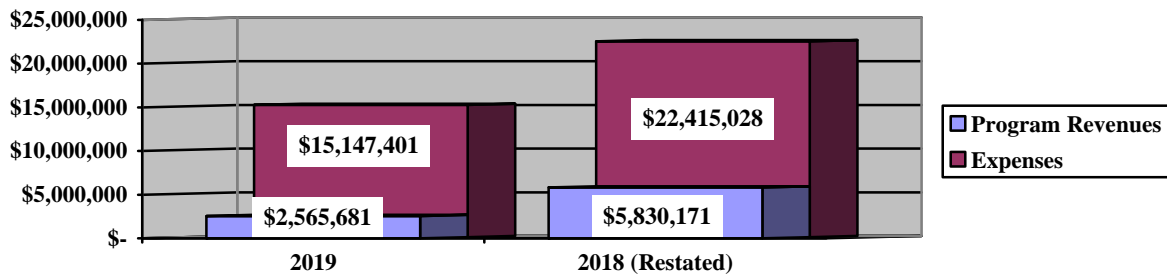
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

The State and Federal government contributed to the City a total of \$1,239,295 in operating grants and contributions and \$74,342 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$1,225,276 subsidized transportation programs, \$10,519 subsidized security of persons and property programs, and \$3,500 subsidized leisure time activity programs. Of the total capital grants and contributions, \$53,126 subsidized leisure time activity programs, \$16,860 subsidized security of persons and property, and \$4,356 subsidized community environment. Capital grants and contributions decreased \$3,570,025, or 97.96% from the prior year. This decrease is due to a significant decrease in the amount of capital contributions received from developers in 2019 compared to 2018.

General revenues totaled \$22,132,241 and amounted to 89.61% of total governmental activities revenue. These revenues primarily consist of property and income tax revenue of \$20,077,282. The other primary source of general revenues is miscellaneous revenues and grants and entitlements not restricted to specific programs, totaling \$425,229 and \$683,980, respectively.

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 2019 and 2018. 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**



**Governmental Activities**

	Total Cost of Services	Net Cost of Services	(Restated) Total Cost of Services	(Restated) Net Cost of Services
	2019	2019	2018	2018
<b>Program expenses:</b>				
General government	\$ 3,171,527	\$ 2,346,721	\$ 2,819,139	\$ 1,991,347
Security of persons and property	2,807,343	2,773,446	11,203,057	11,143,586
Transportation	4,970,118	3,744,842	4,631,431	183,066
Community environment	1,737,072	1,732,716	1,426,245	1,343,846
Leisure time activity	2,373,722	1,896,376	2,224,217	1,812,073
Interest and fiscal charges	87,619	87,619	110,939	110,939
<b>Total</b>	<u>\$ 15,147,401</u>	<u>\$ 12,581,720</u>	<u>\$ 22,415,028</u>	<u>\$ 16,584,857</u>



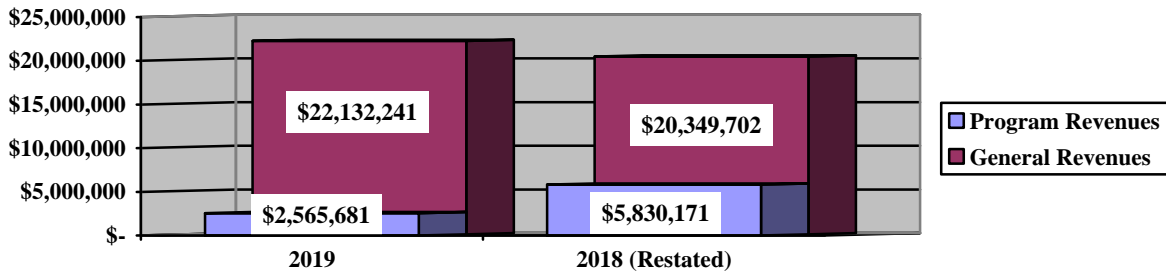
**CITY OF AURORA, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

The dependence upon general revenues for governmental activities is apparent, with 83.06% of expenses supported through taxes and other general revenues.

The chart below illustrates the City's program revenues versus general revenues for 2019 and 2018.

**Governmental Activities - General and Program Revenues**



**Business-Type Activities**

Business-type activities consist of water, sewer, and cemetery operations. These programs had revenues of \$7,508,991, expenses of \$6,270,672, and transfers in of \$574,308 during 2019. The water operations had program revenues of \$3,847,638, program expenses of \$3,444,736, nonoperating expenses of \$10,307, and capital contributions of \$303,524. This resulted in an increase in net position for the year of \$696,119. The sewer operations had program revenues of \$2,883,216, general revenues of \$27,067, program expenses of \$2,747,753, nonoperating expenses of \$114,799, transfers in of \$500,000, and capital contributions of \$583,267. This resulted in an increase in net position for the year of \$1,130,998. The other business-type activities had program revenues of \$36,420, expenses of \$78,183, nonoperating expenses of \$873, transfers in \$10,000, and capital contributions of \$18,146. This resulted in a decrease in net position for the year of \$14,490. Management assesses the performance of each of these activities to ensure that they are running efficiently.

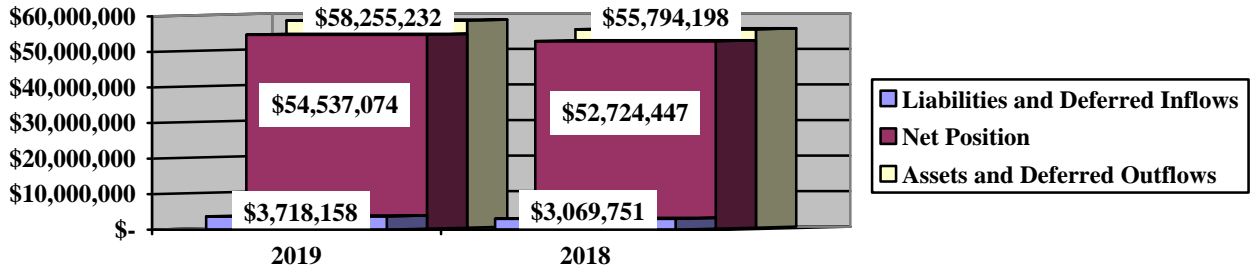
The chart below illustrates the City's business-type activities assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position at December 31, 2019 and December 31, 2018.

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**CITY OF AURORA, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

**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 (as presented on the balance sheet on page 24) reported a combined fund balance of \$21,828,624, which is \$1,423,775 greater than last year's restated total of \$20,404,849. The table below indicates the fund balances and the total change in fund balances as of December 31, 2019 and December 31, 2018 for all major and nonmajor governmental funds. The fund balances at December 31, 2018 has been restated as described in Note 3.B in the notes to the basic financial statements.

	Fund Balances	(Restated) Fund Balances	Increase	Percentage
	December 31, 2019	December 31, 2018	(Decrease)	Change
<b>Major funds:</b>				
General	\$ 11,829,690	\$ 10,465,961	\$ 1,363,729	13.03 %
Fire paramedic levy fund	104,100	(6,814)	110,914	1,627.74 %
Capital improvements fund	2,953,138	2,783,739	169,399	6.09 %
Nonmajor governmental funds	<u>6,941,696</u>	<u>7,161,963</u>	<u>(220,267)</u>	(3.08) %
<b>Total</b>	<u>\$ 21,828,624</u>	<u>\$ 20,404,849</u>	<u>\$ 1,423,775</u>	6.98 %

**CITY OF AURORA, OHIO**

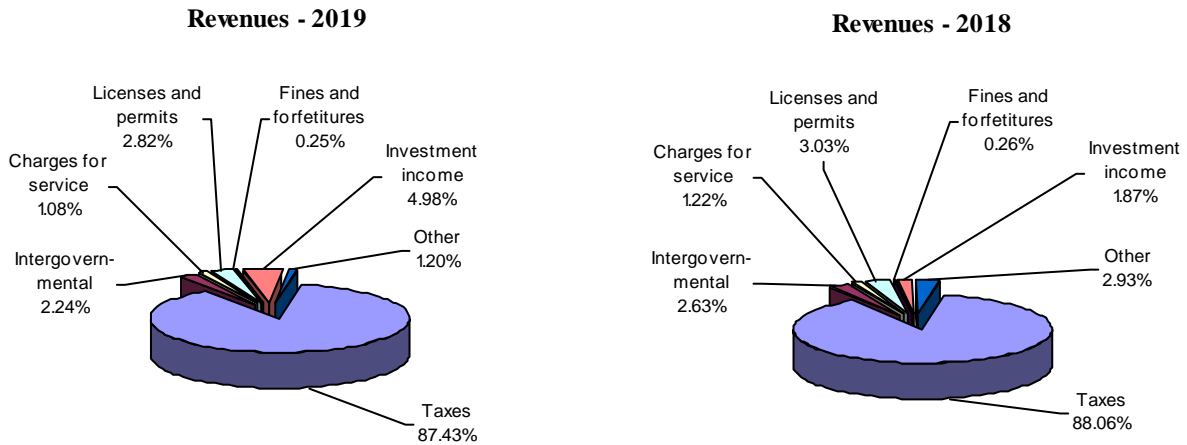
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

**General Fund**

The City's general fund balance increased \$1,363,729. The table that follows assists in illustrating the revenues of the general fund for 2019 and 2018.

	<u>2019</u> <u>Amount</u>	<u>2018</u> <u>Amount</u>	<u>Percentag</u> <u>Change</u>
<b>Revenues</b>			
Taxes	\$ 17,073,419	\$ 15,892,037	7.43
Intergovernmental	438,327	474,993	(7.72)
Charges for services	211,576	220,077	(3.86)
Licenses and permits	550,424	546,732	0.68
Fines and forfeitures	48,487	47,431	2.23
Investment income	973,008	337,160	188.59
Other	<u>233,786</u>	<u>527,993</u>	(55.72)
Total	<u>\$ 19,529,027</u>	<u>\$ 18,046,423</u>	8.22

Overall revenues of the general fund increased \$1,482,604 or 8.22%. Tax receipts increased \$1,181,382 or 7.43% primarily due to an increase in income tax receipts across most of the City's major taxpayers as a result of the improving economy. Investment income increased \$635,848 or 188.59% due to an increase interest rates and the increase in City funds. Other receipts decreased \$294,207 or 55.72% primarily due to a decrease in reimbursement for medical claims excess loss and employee healthcare contributions. All other revenue classifications remained comparable to 2018.



**CITY OF AURORA, OHIO**

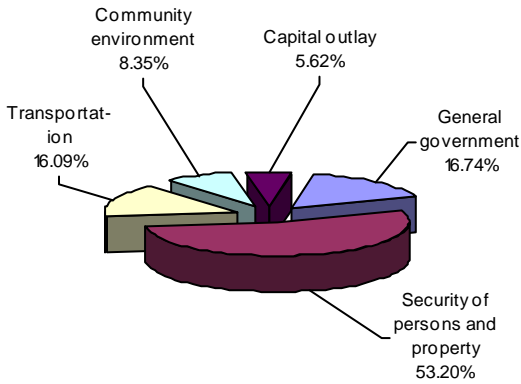
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

The table that follows assists in illustrating the expenditures of the general fund for 2019 and 2018.

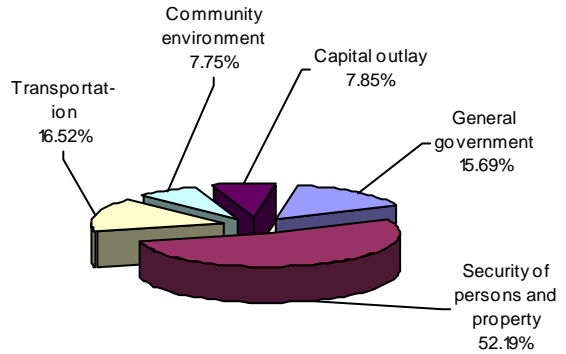
	<u>2019</u> <u>Amount</u>	<u>2018</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
General government	\$ 2,409,181	\$ 2,350,104	2.51 %
Security of persons and property	7,656,483	7,814,863	(2.03) %
Transportation	2,315,561	2,474,431	(6.42) %
Community environment	1,201,445	1,160,675	3.51 %
Capital outlay	<u>809,415</u>	<u>1,175,004</u>	(31.11) %
<b>Total</b>	<b><u>\$ 14,392,085</u></b>	<b><u>\$ 14,975,077</u></b>	<b>(3.89) %</b>

Overall expenditures of the general fund decreased \$582,992 or 3.89%. Capital outlay decreased \$365,589 or 31.11% due to a decrease in capital related expenditures being paid out of the general fund in 2019. All other expenditure classifications remained comparable to 2018.

**Expenditures - 2019**



**Expenditures - 2018**



***Fire Paramedic Levy Fund***

The fire paramedic fund had revenues and other financing sources of \$939,057 and expenditures of \$828,143 during 2019. The net increase in the fund balance for the fire paramedic levy fund was \$110,914 or 1,627.74%. This increase was a result of a decrease in capital related expenditures in fire paramedic levy fund during 2019.

***Capital Improvements Fund***

The capital improvements fund had revenues and other financing sources of \$2,555,594 and expenditures of \$2,386,195 during 2019. The net increase in the fund balance for the capital improvements fund was \$169,399 or 6.09%.

**CITY OF AURORA, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)

***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.

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 \$17,240,011. Actual revenues and other financing sources of \$19,408,406 were \$2,168,395 greater than final budgeted revenues and other financing sources. The final budgeted expenditures and other financing uses were \$20,527,990, which were \$3,238,050 greater than original budgeted expenditures and other financing uses of \$17,289,940. Actual expenditures and other financing uses of \$18,704,994 were \$1,822,996 less than final budgeted expenditures and other financing uses.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of 2019, the City had \$135,239,290 (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, \$93,134,619 is reported in governmental activities and \$42,104,671 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, 2019 balances compared to December 31, 2018.

**Capital Assets at December 31  
(Net of Accumulated Depreciation)**

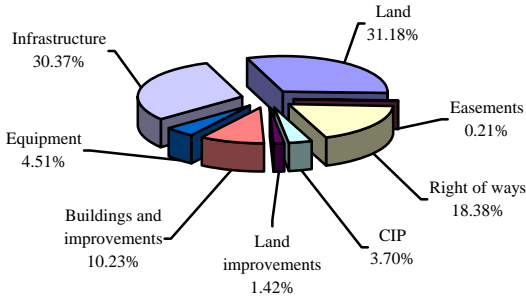
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 29,035,280	\$ 28,243,577	\$ 611,521	\$ 611,521	\$ 29,646,801	\$ 28,855,098
Easements	198,519	198,519	33,716	27,677	232,235	226,196
Right of ways	17,117,286	17,113,850	-	-	17,117,286	17,113,850
Construction in progress	3,446,816	4,381,860	595,400	162,427	4,042,216	4,544,287
Land improvements	2,543,963	2,447,909	606,661	558,111	3,150,624	3,006,020
Buildings and improvements	16,360,117	14,996,777	16,639,363	16,640,500	32,999,480	31,637,277
Equipment	10,985,030	10,883,031	2,600,739	2,436,145	13,585,769	13,319,176
Infrastructure	37,407,652	36,069,120	46,680,006	45,323,532	84,087,658	81,392,652
Less: accumulated depreciation	<u>(23,960,044)</u>	<u>(22,861,641)</u>	<u>(25,662,735)</u>	<u>(24,262,106)</u>	<u>(49,622,779)</u>	<u>(47,123,747)</u>
Totals	<u>\$ 93,134,619</u>	<u>\$ 91,473,002</u>	<u>\$ 42,104,671</u>	<u>\$ 41,497,807</u>	<u>\$ 135,239,290</u>	<u>\$ 132,970,809</u>

**CITY OF AURORA, OHIO**

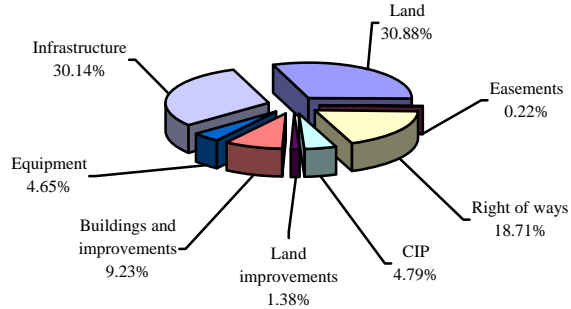
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

The following graphs show the breakdown of governmental activities and business-type activities capital assets by category at December 31, 2019 and December 31, 2018.

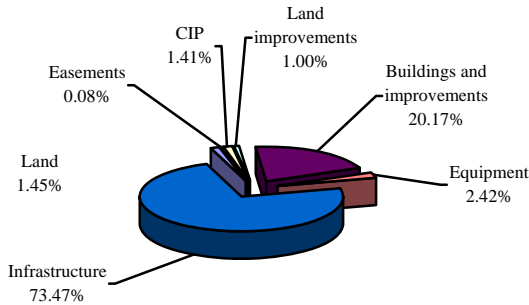
**Capital Assets - Governmental Activities - 2019**



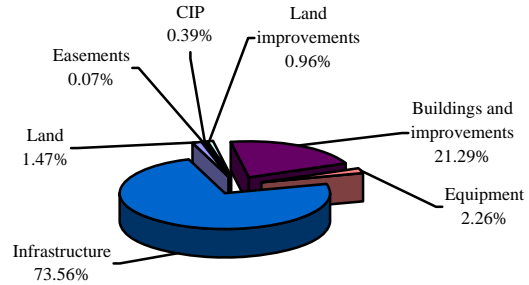
**Capital Assets - Governmental Activities  
2018**



**Capital Assets - Business-type Activities  
2019**



**Capital Assets - Business-type Activities  
2018**



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).

**CITY OF AURORA, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(UNAUDITED)**

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.

***Debt Administration***

The City had the following long-term obligations outstanding at December 31, 2019 and December 31, 2018.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 2,805,536	\$ 3,122,077	\$ 179,457	\$ 194,957	\$ 2,984,993	\$ 3,317,034
Promissory note	475,000	-	-	-	475,000	-
OWDA loans	-	-	257,361	484,988	257,361	484,988
OPWC loans	36,843	69,681	227,908	245,578	264,751	315,259
Compensated absences	<u>1,318,235</u>	<u>1,215,079</u>	<u>47,398</u>	<u>51,205</u>	<u>1,365,633</u>	<u>1,266,284</u>
Total long-term obligations	<u>\$ 4,635,614</u>	<u>\$ 4,406,837</u>	<u>\$ 712,124</u>	<u>\$ 976,728</u>	<u>\$ 5,347,738</u>	<u>\$ 5,383,565</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 2019 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 \$2,500,000 to various capital project funds for future capital needs prior to the end of 2019.

The beginning of the year 2020 will see income tax collections continue a growth trend, with January and February 2020 amounts \$239,620 higher than those of 2019. With increased interest rates and increasing balances under investment, interest revenues have grown by \$44,343 over January and February 2019 amounts. It is anticipated that the looming coronavirus pandemic will adversely affect both the income tax and interest revenue streams as 2020 progresses. It is difficult to quantify those effects at this time. Conservative budgeting and the strong start with 2020 revenues 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, 130 S. Chillicothe Road, Aurora, Ohio 44202.

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**CITY OF AURORA, OHIO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash, cash equivalents and investments . . .	\$ 21,925,341	\$ 13,886,180	\$ 35,811,521
Cash in segregated accounts . . . . .	10,518	-	10,518
Receivables:			
Municipal income taxes. . . . .	4,430,562	-	4,430,562
Real and other taxes . . . . .	4,069,184	-	4,069,184
Other local taxes. . . . .	73,630	-	73,630
Accounts. . . . .	170,298	1,412,464	1,582,762
Special assessments . . . . .	3,174	-	3,174
Accrued interest . . . . .	3,109	-	3,109
Loans. . . . .	307,646	-	307,646
Due from other governments. . . . .	930,109	406	930,515
Prepayments . . . . .	287,472	62,448	349,920
Materials and supplies inventory. . . . .	17,868	-	17,868
Net pension asset. . . . .	53,562	11,945	65,507
Capital assets:			
Non-depreciable capital assets. . . . .	49,797,901	1,240,637	51,038,538
Depreciable capital assets, net. . . . .	43,336,718	40,864,034	84,200,752
Total capital assets. . . . .	93,134,619	42,104,671	135,239,290
Total assets . . . . .	125,417,092	57,478,114	182,895,206
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding . . . . .	115,951	-	115,951
Pension . . . . .	6,520,615	635,445	7,156,060
OPEB. . . . .	1,540,871	141,673	1,682,544
Total deferred outflows of resources . . . . .	8,177,437	777,118	8,954,555
Total assets and deferred outflows of resources . . . . .	133,594,529	58,255,232	191,849,761
<b>Liabilities:</b>			
Accounts payable. . . . .	299,690	163,465	463,155
Contracts payable. . . . .	476,472	111,535	588,007
Retainage payable . . . . .	23,790	-	23,790
Accrued wages and benefits. . . . .	254,384	25,846	280,230
Due to other governments . . . . .	180,526	22,398	202,924
Unearned revenue . . . . .	14,480	27,416	41,896
Accrued interest payable . . . . .	7,510	839	8,349
Claims payable. . . . .	54,468	-	54,468
Deposits payable. . . . .	1,221,929	-	1,221,929
Long-term liabilities:			
Due within one year . . . . .	471,127	260,601	731,728
Due in more than one year:			
Net pension liability . . . . .	22,646,158	1,735,503	24,381,661
Net OPEB liability . . . . .	5,448,960	845,322	6,294,282
Other amounts due in more than one year. . . . .	4,164,487	451,523	4,616,010
Total liabilities . . . . .	35,263,981	3,644,448	38,908,429
<b>Deferred inflows of resources:</b>			
Real and other taxes levied for the next fiscal year. . . . .	3,912,152	-	3,912,152
Pension . . . . .	481,678	53,651	535,329
OPEB. . . . .	637,286	20,059	657,345
Total deferred inflows of resources . . . . .	5,031,116	73,710	5,104,826
Total liabilities and deferred inflows of resources. . . . .	40,295,097	3,718,158	44,013,255
<b>Net position:</b>			
Net investment in capital assets. . . . .	89,432,929	41,328,410	130,761,339
Restricted for:			
Debt service . . . . .	540,602	-	540,602
Capital projects. . . . .	713,887	-	713,887
Transportation projects . . . . .	1,999,818	-	1,999,818
Security of persons and property. . . . .	853,076	-	853,076
Community environment . . . . .	519,300	-	519,300
Other purposes. . . . .	149,458	-	149,458
Unrestricted (deficit) . . . . .	(909,638)	13,208,664	12,299,026
Total net position . . . . .	\$ 93,299,432	\$ 54,537,074	\$ 147,836,506

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF AURORA, OHIO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental activities:</b>				
General government . . . . .	\$ 3,171,527	\$ 824,806	\$ -	\$ -
Security of persons and property . . . . .	2,807,343	6,518	10,519	16,860
Transportation . . . . .	4,970,118	-	1,225,276	-
Community environment . . . . .	1,737,072	-	-	4,356
Leisure time activity . . . . .	2,373,722	420,720	3,500	53,126
Interest and fiscal charges . . . . .	87,619	-	-	-
<b>Total governmental activities . . . . .</b>	<b>15,147,401</b>	<b>1,252,044</b>	<b>1,239,295</b>	<b>74,342</b>
<b>Business-type activities:</b>				
Water . . . . .	3,444,736	3,847,638	-	241,900
Sewer . . . . .	2,747,753	2,883,216	-	472,750
Other business-type activities:				
Cemetery/Perpetual Care . . . . .	78,183	36,420	-	-
<b>Total business-type activities . . . . .</b>	<b>6,270,672</b>	<b>6,767,274</b>	<b>-</b>	<b>714,650</b>
<b>Total primary government . . . . .</b>	<b>\$ 21,418,073</b>	<b>\$ 8,019,318</b>	<b>\$ 1,239,295</b>	<b>\$ 788,992</b>

**General revenues:**

Property and other local taxes levied for:

    General purposes . . . . .

    Debt service . . . . .

Municipal income taxes levied for:

    General purposes . . . . .

    Capital projects . . . . .

Grants and entitlements not restricted

    to specific programs . . . . .

Investment earnings . . . . .

Miscellaneous . . . . .

Total general revenues . . . . .

Transfers . . . . .

Change in net position . . . . .

**Net position at beginning of year (restated). . . . .**

**Net position at end of year. . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (2,346,721)	\$ -	\$ (2,346,721)
(2,773,446)	-	(2,773,446)
(3,744,842)	-	(3,744,842)
(1,732,716)	-	(1,732,716)
(1,896,376)	-	(1,896,376)
(87,619)	-	(87,619)
<u>(12,581,720)</u>	<u>-</u>	<u>(12,581,720)</u>
-	644,802	644,802
-	608,213	608,213
-	(41,763)	(41,763)
-	1,211,252	1,211,252
<u>(12,581,720)</u>	<u>1,211,252</u>	<u>(11,370,468)</u>
3,567,741	-	3,567,741
353,858	-	353,858
15,555,683	-	15,555,683
600,000	-	600,000
683,980	-	683,980
945,750	-	945,750
425,229	27,067	452,296
<u>22,132,241</u>	<u>27,067</u>	<u>22,159,308</u>
<u>(574,308)</u>	<u>574,308</u>	<u>-</u>
8,976,213	1,812,627	10,788,840
<u>84,323,219</u>	<u>52,724,447</u>	<u>137,047,666</u>
<u>\$ 93,299,432</u>	<u>\$ 54,537,074</u>	<u>\$ 147,836,506</u>

**CITY OF AURORA, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	<u>General</u>	<u>Fire Paramedic Levy Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Equity in pooled cash, cash equivalents and investments.	\$ 11,882,792	\$ 119,367	\$ 2,983,224	\$ 6,939,958	\$ 21,925,341
Cash in segregated accounts . . . . .	10,518	-	-	-	10,518
Receivables:					
Municipal income taxes . . . . .	4,280,562	-	150,000	-	4,430,562
Real and other taxes . . . . .	1,808,159	979,718	-	1,281,307	4,069,184
Other local taxes . . . . .	73,630	-	-	-	73,630
Accounts . . . . .	158,063	7,500	-	4,735	170,298
Accrued interest . . . . .	2,983	-	-	126	3,109
Special assessments . . . . .	-	-	-	3,174	3,174
Loans . . . . .	-	-	-	307,646	307,646
Due from other governments . . . . .	195,340	53,402	-	681,367	930,109
Prepayments . . . . .	231,984	9,509	4,778	41,201	287,472
Materials and supplies inventory . . . . .	17,868	-	-	-	17,868
<b>Total assets . . . . .</b>	<b>\$ 18,661,899</b>	<b>\$ 1,169,496</b>	<b>\$ 3,138,002</b>	<b>\$ 9,259,514</b>	<b>\$ 32,228,911</b>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 250,447	\$ 259	\$ 17,314	\$ 31,670	\$ 299,690
Contracts payable . . . . .	-	-	82,589	393,883	476,472
Retainage payable . . . . .	-	-	9,961	13,829	23,790
Accrued wages and benefits . . . . .	218,841	17,310	-	18,233	254,384
Due to other governments . . . . .	155,070	14,923	-	10,533	180,526
Unearned revenue . . . . .	14,480	-	-	-	14,480
Claims payable . . . . .	54,468	-	-	-	54,468
Deposits payable . . . . .	1,221,929	-	-	-	1,221,929
<b>Total liabilities . . . . .</b>	<b>1,915,235</b>	<b>32,492</b>	<b>109,864</b>	<b>468,148</b>	<b>2,525,739</b>
<b>Deferred inflows of resources:</b>					
Real and other taxes levied for the next fiscal year . . . . .	1,741,384	942,953	-	1,227,815	3,912,152
Income tax revenue not available . . . . .	2,948,446	-	75,000	-	3,023,446
Delinquent property tax revenue not available . . . . .	66,775	36,765	-	47,672	151,212
Special assessments revenue not available . . . . .	-	-	-	3,174	3,174
Intergovernmental revenue not available . . . . .	160,369	53,186	-	571,009	784,564
<b>Total deferred inflows of resources . . . . .</b>	<b>4,916,974</b>	<b>1,032,904</b>	<b>75,000</b>	<b>1,849,670</b>	<b>7,874,548</b>
<b>Fund balances:</b>					
Nonspendable . . . . .	293,183	9,509	4,778	41,201	348,671
Restricted . . . . .	-	94,591	-	3,732,134	3,826,725
Committed . . . . .	903,943	-	2,948,360	559,413	4,411,716
Assigned . . . . .	140,701	-	-	2,608,948	2,749,649
Unassigned . . . . .	10,491,863	-	-	-	10,491,863
<b>Total fund balances . . . . .</b>	<b>11,829,690</b>	<b>104,100</b>	<b>2,953,138</b>	<b>6,941,696</b>	<b>21,828,624</b>
<b>Total liabilities, deferred inflows of resources and fund balances . . . . .</b>	<b>\$ 18,661,899</b>	<b>\$ 1,169,496</b>	<b>\$ 3,138,002</b>	<b>\$ 9,259,514</b>	<b>\$ 32,228,911</b>

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, 2019

<b>Total governmental fund balances</b>		\$ 21,828,624
<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.		93,134,619
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenue in the funds.		
Income taxes receivable	\$ 3,023,446	
Real and other taxes receivable	151,212	
Special assessments receivable	3,174	
Intergovernmental receivable	784,564	
Total	3,962,396	3,962,396
Unamortized deferred charges on debt refundings are not recognized in the funds.		115,951
Unamortized premiums on bond issuances are not recognized in the funds.		(170,536)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(7,510)
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	53,562	
Deferred outflows of resources	6,520,615	
Deferred inflows of resources	(481,678)	
Net pension liability	(22,646,158)	
Total	(16,553,659)	(16,553,659)
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	1,540,871	
Deferred inflows of resources	(637,286)	
Net OPEB liability	(5,448,960)	
Total	(4,545,375)	(4,545,375)
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	(2,635,000)	
Loans payable	(36,843)	
Notes payable	(475,000)	
Compensated absences payable	(1,318,235)	
Total	(4,465,078)	(4,465,078)
<b>Net position of governmental activities</b>		<b>\$ 93,299,432</b>

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, 2019

	<u>General</u>	<u>Fire Paramedic Levy Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Municipal income taxes . . . . .	\$ 15,177,740	\$ -	\$ 600,000	\$ -	\$ 15,777,740
Real and other taxes. . . . .	1,509,242	820,784	-	1,083,593	3,413,619
Other local taxes . . . . .	386,437	-	-	38,384	424,821
Charges for services. . . . .	211,576	-	-	421,220	632,796
Licenses and permits . . . . .	550,424	-	-	-	550,424
Fines and forfeitures . . . . .	48,487	-	-	6,018	54,505
Intergovernmental. . . . .	438,327	102,429	16,860	1,174,211	1,731,827
Investment income. . . . .	973,008	-	-	36,979	1,009,987
Rental income . . . . .	17,105	-	-	-	17,105
Contributions and donations. . . . .	-	7,500	-	3,000	10,500
Other . . . . .	216,681	1,478	68,734	138,336	425,229
Total revenues . . . . .	<u>19,529,027</u>	<u>932,191</u>	<u>685,594</u>	<u>2,901,741</u>	<u>24,048,553</u>
<b>Expenditures:</b>					
Current:					
General government . . . . .	2,409,181	13,500	-	56,111	2,478,792
Security of persons and property . . . . .	7,656,483	780,528	-	117,202	8,554,213
Transportation . . . . .	2,315,561	-	-	345,603	2,661,164
Community environment . . . . .	1,201,445	-	-	86,362	1,287,807
Leisure time activity . . . . .	-	-	-	1,827,323	1,827,323
Capital outlay . . . . .	809,415	34,115	2,386,195	2,136,656	5,366,381
Debt service:					
Principal retirement. . . . .	-	-	-	327,838	327,838
Interest and fiscal charges . . . . .	-	-	-	94,913	94,913
Total expenditures . . . . .	<u>14,392,085</u>	<u>828,143</u>	<u>2,386,195</u>	<u>4,992,008</u>	<u>22,598,431</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>5,136,942</u>	<u>104,048</u>	<u>(1,700,601)</u>	<u>(2,090,267)</u>	<u>1,450,122</u>
<b>Other financing sources (uses):</b>					
Note issuance . . . . .	475,000	-	-	-	475,000
Sale of capital assets. . . . .	1,787	6,866	-	-	8,653
Transfers in . . . . .	-	-	1,870,000	1,870,000	3,740,000
Transfers out. . . . .	(4,250,000)	-	-	-	(4,250,000)
Total other financing sources (uses) . . . . .	<u>(3,773,213)</u>	<u>6,866</u>	<u>1,870,000</u>	<u>1,870,000</u>	<u>(26,347)</u>
Net change in fund balances . . . . .	1,363,729	110,914	169,399	(220,267)	1,423,775
<b>Fund balances (deficit) at beginning of year (restated)</b>	<u>10,465,961</u>	<u>(6,814)</u>	<u>2,783,739</u>	<u>7,161,963</u>	<u>20,404,849</u>
<b>Fund balances at end of year. . . . .</b>	<u>\$ 11,829,690</u>	<u>\$ 104,100</u>	<u>\$ 2,953,138</u>	<u>\$ 6,941,696</u>	<u>\$ 21,828,624</u>

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, 2019**

<b>Net change in fund balances - total governmental funds</b>	\$	1,423,775
<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	\$	4,404,855
Depreciation expense		<u>(1,976,657)</u>
Total		2,428,198
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		57,482
Capital contributions to business type activities		(72,289)
Transfers from business-type activities, net		61,759
Transfers to business-type activities, net		(53,778)
Disposals, net		<u>(759,755)</u>
Total		(766,581)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income taxes		377,943
Real and other taxes		83,159
Investment income		(28,478)
Special assessments		(2,786)
Intergovernmental		<u>162,049</u>
Total		591,887
Note issuances are reported as an other financing source in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		
		(475,000)
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		399
Amortization of bond premiums		21,541
Amortization of deferred charges on refundings		<u>(14,646)</u>
Total		7,294
Repayment of general obligation bonds and long-term loans are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net position.		
		327,838
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		1,495,665
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(3,732,159)
Contractually required OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		30,032
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability are reported as OPEB expense in the statement of activities.		
		7,776,452
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.		
		<u>(131,188)</u>
<b>Change in net position of governmental activities</b>	\$	<u><u>8,976,213</u></u>

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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 13,602,000	\$ 13,602,000	\$ 15,299,918	\$ 1,697,918
Real and other taxes . . . . .	1,536,019	1,536,019	1,509,242	(26,777)
Other local taxes . . . . .	409,200	409,200	384,847	(24,353)
Charges for services . . . . .	191,249	191,249	187,037	(4,212)
Licenses and permits . . . . .	269,000	269,000	553,765	284,765
Fines and forfeitures . . . . .	20,000	20,000	49,908	29,908
Intergovernmental . . . . .	363,000	363,000	425,515	62,515
Investment income . . . . .	546,250	546,250	588,049	41,799
Rental income . . . . .	16,200	16,200	16,955	755
Other. . . . .	251,400	251,400	360,690	109,290
Total revenues . . . . .	<u>17,204,318</u>	<u>17,204,318</u>	<u>19,375,926</u>	<u>2,171,608</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	2,762,594	2,888,094	2,542,756	345,338
Security of persons and property. . . . .	8,378,649	8,478,649	7,753,826	724,823
Transportation . . . . .	2,793,968	2,793,968	2,496,164	297,804
Community environment. . . . .	1,445,100	1,445,100	1,253,705	191,395
Contingencies. . . . .	159,629	647,179	383,543	263,636
Total expenditures. . . . .	<u>15,539,940</u>	<u>16,252,990</u>	<u>14,429,994</u>	<u>1,822,996</u>
Excess of revenues over expenditures. . . . .	1,664,378	951,328	4,945,932	3,994,604
<b>Other financing sources (uses):</b>				
Sale of capital assets . . . . .	5,000	5,000	1,787	(3,213)
Advances in. . . . .	30,000	30,000	30,000	-
Advances (out) . . . . .	-	(25,000)	(25,000)	-
Transfers in. . . . .	693	693	693	-
Transfers (out) . . . . .	(1,750,000)	(4,250,000)	(4,250,000)	-
Total other financing sources (uses). . . . .	<u>(1,714,307)</u>	<u>(4,239,307)</u>	<u>(4,242,520)</u>	<u>(3,213)</u>
Net change in fund balance . . . . .	(49,929)	(3,287,979)	703,412	3,991,391
<b>Unencumbered fund balance at beginning of year.</b>	8,417,175	8,417,175	8,417,175	-
<b>Prior year encumbrances appropriated. . . . .</b>	256,943	256,943	256,943	-
<b>Unencumbered fund balance at end of year . . . . .</b>	<u>\$ 8,624,189</u>	<u>\$ 5,386,139</u>	<u>\$ 9,377,530</u>	<u>\$ 3,991,391</u>

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)  
 FIRE PARAMEDIC LEVY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Real and other taxes. . . . .	\$ 823,900	\$ 823,900	\$ 820,784	\$ (3,116)
Intergovernmental. . . . .	101,000	101,000	102,429	1,429
Contributions and donations . . . . .	7,500	7,500	-	(7,500)
Other . . . . .	-	-	8,057	8,057
<b>Total revenues . . . . .</b>	<u>932,400</u>	<u>932,400</u>	<u>931,270</u>	<u>(1,130)</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	14,200	14,200	13,500	700
Security of persons and property . . . . .	771,212	771,212	783,280	(12,068)
Capital outlay . . . . .	39,168	57,168	54,413	2,755
<b>Total expenditures. . . . .</b>	<u>824,580</u>	<u>842,580</u>	<u>851,193</u>	<u>(8,613)</u>
Excess of revenues over expenditures. . . . .	<u>107,820</u>	<u>89,820</u>	<u>80,077</u>	<u>(9,743)</u>
<b>Other financing sources:</b>				
Sale of capital assets. . . . .	-	-	6,866	6,866
<b>Total other financing sources . . . . .</b>	<u>-</u>	<u>-</u>	<u>6,866</u>	<u>6,866</u>
Net change in fund balance . . . . .	107,820	89,820	86,943	(2,877)
<b>Unencumbered fund balance at beginning of year.</b>	353	353	353	-
<b>Prior year encumbrances appropriated . . . . .</b>	11,668	11,668	11,668	-
<b>Unencumbered fund balance at end of year. . . . .</b>	<u>\$ 119,841</u>	<u>\$ 101,841</u>	<u>\$ 98,964</u>	<u>\$ (2,877)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF AURORA, OHIO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2019**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Sewer</b>	<b>Other Nonmajor</b>	<b>Total</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash, cash equivalents and investments . . . . .	\$ 5,479,407	\$ 8,221,253	\$ 185,520	\$ 13,886,180
Receivables:				
Accounts . . . . .	823,957	587,322	1,185	1,412,464
Due from other governments . . . . .	174	222	10	406
Prepayments . . . . .	35,170	26,791	487	62,448
Total current assets . . . . .	<u>6,338,708</u>	<u>8,835,588</u>	<u>187,202</u>	<u>15,361,498</u>
Noncurrent assets:				
Net pension asset . . . . .	5,145	6,529	271	11,945
Capital assets:				
Non-depreciable capital assets . . . . .	203,183	1,035,264	2,190	1,240,637
Depreciable capital assets, net . . . . .	16,048,905	24,675,880	139,249	40,864,034
Total capital assets . . . . .	<u>16,252,088</u>	<u>25,711,144</u>	<u>141,439</u>	<u>42,104,671</u>
Total noncurrent assets . . . . .	<u>16,257,233</u>	<u>25,717,673</u>	<u>141,710</u>	<u>42,116,616</u>
Total assets . . . . .	<u>22,595,941</u>	<u>34,553,261</u>	<u>328,912</u>	<u>57,478,114</u>
<b>Deferred outflows of resources:</b>				
Pension . . . . .	309,794	313,670	11,981	635,445
OPEB . . . . .	84,653	55,472	1,548	141,673
Total deferred outflows of resources . . . . .	<u>394,447</u>	<u>369,142</u>	<u>13,529</u>	<u>777,118</u>
Total assets and deferred outflows of resources . . . . .	<u>22,990,388</u>	<u>34,922,403</u>	<u>342,441</u>	<u>58,255,232</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	109,531	51,260	2,674	163,465
Contracts payable . . . . .	28,371	80,941	2,223	111,535
Accrued wages and benefits . . . . .	11,403	14,443	-	25,846
Due to other governments . . . . .	6,981	15,417	-	22,398
Unearned revenue . . . . .	27,416	-	-	27,416
Accrued interest payable . . . . .	-	839	-	839
G.O. bonds payable - current . . . . .	-	15,000	-	15,000
OPWC loans payable - current . . . . .	8,835	-	-	8,835
OWDA loans payable - current . . . . .	-	236,766	-	236,766
Total current liabilities . . . . .	<u>192,537</u>	<u>414,666</u>	<u>4,897</u>	<u>612,100</u>
Long-term liabilities:				
Compensated absences . . . . .	28,227	19,171	-	47,398
G.O. bonds payable . . . . .	-	164,457	-	164,457
OPWC loans payable . . . . .	219,073	-	-	219,073
OWDA loans payable . . . . .	-	20,595	-	20,595
Net pension liability . . . . .	747,542	948,608	39,353	1,735,503
Net OPEB liability . . . . .	364,110	462,044	19,168	845,322
Total long-term liabilities . . . . .	<u>1,358,952</u>	<u>1,614,875</u>	<u>58,521</u>	<u>3,032,348</u>
Total liabilities . . . . .	<u>1,551,489</u>	<u>2,029,541</u>	<u>63,418</u>	<u>3,644,448</u>
<b>Deferred inflows of resources:</b>				
Pension . . . . .	12,273	40,094	1,284	53,651
OPEB . . . . .	988	18,694	377	20,059
Total deferred inflows of resources . . . . .	<u>13,261</u>	<u>58,788</u>	<u>1,661</u>	<u>73,710</u>
Total liabilities and deferred inflows of resources . . . . .	<u>1,564,750</u>	<u>2,088,329</u>	<u>65,079</u>	<u>3,718,158</u>
<b>Net position:</b>				
Net investment in capital assets . . . . .	15,995,809	25,193,385	139,216	41,328,410
Unrestricted . . . . .	5,429,829	7,640,689	138,146	13,208,664
Total net position . . . . .	<u>\$ 21,425,638</u>	<u>\$ 32,834,074</u>	<u>\$ 277,362</u>	<u>\$ 54,537,074</u>

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, 2019

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Sewer</b>	<b>Other Nonmajor</b>	<b>Total</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 3,841,975	\$ 2,880,521	\$ 36,406	\$ 6,758,902
Other . . . . .	5,663	2,695	14	8,372
<b>Total operating revenues.</b> . . . .	<b>3,847,638</b>	<b>2,883,216</b>	<b>36,420</b>	<b>6,767,274</b>
<b>Operating expenses:</b>				
Personal services . . . . .	813,961	951,674	37,171	1,802,806
Contract services. . . . .	1,648,505	228,336	4,640	1,881,481
Materials and supplies. . . . .	461,265	581,536	24,389	1,067,190
Depreciation. . . . .	511,190	929,254	11,407	1,451,851
Other . . . . .	8,744	25,535	576	34,855
<b>Total operating expenses.</b> . . . .	<b>3,443,665</b>	<b>2,716,335</b>	<b>78,183</b>	<b>6,238,183</b>
<b>Operating income (loss)</b> . . . . .	<b>403,973</b>	<b>166,881</b>	<b>(41,763)</b>	<b>529,091</b>
<b>Nonoperating revenues (expenses):</b>				
Interest expense and fiscal charges . . . . .	-	(23,213)	-	(23,213)
Loss on disposal of capital assets . . . . .	(1,071)	(8,205)	-	(9,276)
Nonoperating expenses . . . . .	(10,307)	(114,799)	(873)	(125,979)
Special assessments. . . . .	-	27,067	-	27,067
<b>Total nonoperating revenues (expenses).</b> . . . .	<b>(11,378)</b>	<b>(119,150)</b>	<b>(873)</b>	<b>(131,401)</b>
<b>Net income (loss) before transfers and capital contributions.</b> . . . . .	<b>392,595</b>	<b>47,731</b>	<b>(42,636)</b>	<b>397,690</b>
Transfers in . . . . .	-	500,000	10,000	510,000
Capital contributions. . . . .	303,524	583,267	18,146	904,937
<b>Change in net position</b> . . . . .	<b>696,119</b>	<b>1,130,998</b>	<b>(14,490)</b>	<b>1,812,627</b>
<b>Net position at beginning of year</b> . . . . .	<b>20,729,519</b>	<b>31,703,076</b>	<b>291,852</b>	<b>52,724,447</b>
<b>Net position at end of year</b> . . . . .	<b>\$ 21,425,638</b>	<b>\$ 32,834,074</b>	<b>\$ 277,362</b>	<b>\$ 54,537,074</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF AURORA, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Sewer</b>	<b>Other Nonmajor</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers . . . . .	\$ 3,774,432	\$ 2,837,206	\$ 35,786	\$ 6,647,424
Cash received from other operations . . . . .	11,226	9,760	352	21,338
Cash payments for personal services . . . . .	(627,202)	(811,719)	(32,405)	(1,471,326)
Cash payments for contract services . . . . .	(1,664,194)	(244,422)	(3,740)	(1,912,356)
Cash payments for materials and supplies . . . . .	(494,521)	(547,320)	(23,576)	(1,065,417)
Cash payments for other expenses. . . . .	(8,717)	(24,570)	(576)	(33,863)
 Net cash provided (used) by operating activities . . . . .	 991,024	 1,218,935	 (24,159)	 2,185,800
<b>Cash flows from noncapital financing activities:</b>				
Cash received from transfers in . . . . .	-	500,000	10,000	510,000
Cash received from special assessments. . . . .	-	27,067	-	27,067
 Net cash provided by noncapital financing activities . . . . .	 -	 527,067	 10,000	 537,067
<b>Cash flows from capital and related financing activities:</b>				
Principal payments on OWDA loans . . . . .	-	(227,627)	-	(227,627)
Principal payments on OPWC loans . . . . .	(17,670)	-	-	(17,670)
Principal payments on G.O. bonds . . . . .	-	(15,000)	-	(15,000)
Acquisition of capital assets. . . . .	(204,971)	(935,178)	(41,938)	(1,182,087)
Interest and fiscal charges. . . . .	-	(23,784)	-	(23,784)
 Net cash used in capital and related financing activities . . . . .	 (222,641)	 (1,201,589)	 (41,938)	 (1,466,168)
 Net increase (decrease) in cash and cash equivalents . . . .	 768,383	 544,413	 (56,097)	 1,256,699
 <b>Cash and cash equivalents at beginning of year . . . . .</b>	 4,711,024	 7,676,840	 241,617	 12,629,481
<b>Cash and cash equivalents at end of year. . . . .</b>	<b>\$ 5,479,407</b>	<b>\$ 8,221,253</b>	<b>\$ 185,520</b>	<b>\$ 13,886,180</b>

-- Continued

**CITY OF AURORA, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Sewer</b>	<b>Other Nonmajor</b>	<b>Total</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss) . . . . .	\$ 403,973	\$ 166,881	\$ (41,763)	\$ 529,091
Adjustments:				
Depreciation . . . . .	511,190	929,254	11,407	1,451,851
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
(Increase) in accounts receivable . . . . .	(67,543)	(43,315)	(620)	(111,478)
(Increase) in due from other governments . . . . .	(174)	(222)	(10)	(406)
Decrease (increase) in prepayments. . . . .	(2,650)	855	(25)	(1,820)
(Increase) in net pension asset. . . . .	(1,922)	(1,529)	(42)	(3,493)
(Increase) in deferred outflows-pension . . . . .	(206,187)	(182,525)	(5,974)	(394,686)
(Increase) in deferred outflows-OPEB . . . . .	(56,973)	(28,311)	(304)	(85,588)
Increase in accounts payable . . . . .	66,181	36,016	1,713	103,910
Increase (decrease) in accrued wages and benefits. . . . .	2,602	3,256	(528)	5,330
(Decrease) in due to other governments . . . . .	(115,328)	(17,831)	(712)	(133,871)
Increase (decrease) in compensated absences payable . . . . .	(4,726)	919	-	(3,807)
Increase in net pension liability . . . . .	417,159	436,043	15,873	869,075
Increase in net OPEB liability . . . . .	133,486	104,247	2,777	240,510
(Decrease) in deferred inflows-pension . . . . .	(71,872)	(139,853)	(4,866)	(216,591)
(Decrease) in deferred inflows-OPEB . . . . .	(16,192)	(44,950)	(1,085)	(62,227)
Net cash provided (used) by operating activities . . . . .	<u>\$ 991,024</u>	<u>\$ 1,218,935</u>	<u>\$ (24,159)</u>	<u>\$ 2,185,800</u>

**Non-Cash Transactions:**

During 2019, the water fund received capital contributions from outside sources in the amount of \$241,900.  
 During 2019, the water fund purchased capital assets on account in the amount of \$28,371.  
 During 2018, the water fund purchased capital assets on account in the amount of \$4,589.  
 During 2019, the sewer fund transferred capital assets in the amount of \$61,624 to the water fund.  
 During 2019, the water fund purchased \$6,672 and \$2,596 in capital asset for governmental activities and the sewer fund, respectively.

During 2019, the sewer fund received capital contributions from governmental activities, the water fund, and outside sources in the amount of \$54,143, \$2,596 and \$472,750, respectively.  
 During 2019, the sewer fund purchased capital assets on account in the amount of \$80,941.  
 During 2019, governmental activities transferred capital assets in the amount of \$53,778 (net of accumulated depreciation of \$69,772) to the sewer fund.  
 During 2019, the sewer fund purchased \$53,010 in capital asset for governmental activities.

During 2019, the cemetery fund received capital contributions from governmental activities in the amount of \$18,146.  
 During 2019, the cemetery fund purchased capital assets on account in the amount of \$2,223.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF AURORA, OHIO**

STATEMENT OF FIUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2019

	<u>Custodial</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 20,278
Receivables (net of allowances for uncollectibles):	
Accounts . . . . .	<u>33</u>
Total assets . . . . .	<u>20,311</u>
<b>Liabilities:</b>	
Due to other governments . . . . .	<u>483</u>
Total liabilities . . . . .	<u>483</u>
<b>Net position:</b>	
Restricted for organizations and other governments . . . . .	<u>19,828</u>
Total net position . . . . .	<u><u>\$ 19,828</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF AURORA, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Custodial</b>
<b>Additions:</b>	
Licenses, permits and fees for other governments . . . . .	\$ 4,264
Other custodial fund collections . . . . .	23,650
Total additions . . . . .	27,914
<b>Deductions:</b>	
Licenses, permits and fees distributions to other governments . . . . .	4,264
Other custodial fund disbursements . . . . .	16,777
Total deductions . . . . .	21,041
Net change in fiduciary net position . . . . .	6,873
<b>Net position beginning of year (restated) . . . . .</b>	<b>12,955</b>
<b>Net position end of year . . . . .</b>	<b>\$ 19,828</b>

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, 2019

#### 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).

##### 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, 2019

**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.

*Fire paramedic levy fund* - The fire paramedic levy fund accounts for tax monies and expenditures restricted to fire activities.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

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.

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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

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.

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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

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.

***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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, see Notes 11 and 12 for deferred outflows of resources related the City’s net pension liability and net OPEB liability, 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 position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, 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, 2019, but which were levied to finance 2020 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. For the City, 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.

For the City, see Notes 11 and 12 for deferred inflows of resources related to the City’s net pension liability and net OPEB liability, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

***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.

**CITY OF AURORA, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

**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.

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 level at which expenditures cannot legally exceed appropriations is at the fund and department level for the general fund and at the fund level for all other funds. 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".

## CITY OF AURORA, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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

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 2019, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), negotiable certificates of deposit (CDs), U.S. treasury notes and U.S. government money markets. 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.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment income credited to the general fund during 2019 amounted to \$973,008, which includes \$691,892 assigned from other City funds.

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.

#### **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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

**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 20 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

**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.



**CITY OF AURORA, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

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, 2019, 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 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.

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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

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 2019, the governmental activities reported capital contributions in the amount of \$57,482 from the Library Trust Fund and 0.02 acres of land donated by the Estate of the Novak Family and \$61,759 in capital contributions from business-type activities. The amount contributed from business-type activities includes a transfer of \$2,077 in capital assets (net of accumulated depreciation of \$39,466).

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 2019, the water fund received \$241,900 and \$61,624 in capital contributions from outside sources and from the sewer fund, respectively. The sewer fund received \$472,750, \$107,921, and \$2,596 in capital contributions from outside sources, governmental activities, and the water fund, respectively. The amount contributed from governmental activities of \$107,921 to the sewer fund includes a transfer of \$53,778 in capital assets (net of \$69,772 in accumulated depreciation). The cemetery fund received \$18,146 in capital contributions from governmental 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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

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.

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 2019.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

**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 to enhance law enforcement and the community environment.

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

**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. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, 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.

**V. 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**

**A. Change in Accounting Principles**

For 2019, the City has implemented GASB Statement No. 83, “Certain Asset Retirement Obligations”, GASB Statement No. 84, “Fiduciary Activities”, GASB Statement No. 88, “Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements” and GASB Statement No. 90, “Majority Equity Interests - an amendment to GASB Statements No. 14 and No. 61”.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the City.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business-type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its agency funds and certain funds will be reported in the new fiduciary classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the City's financial statements.

GASB Statement No. 88 improves the information that is disclosed in notes to the basic financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the City; however, certain note disclosures in Note 8 have been modified to conform to the new requirements.

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the City.

**B. Restatement of Net Position and Fund Balances**

The implementation of GASB 84 had the following effect on fund balance as reported at January 1, 2019:

	General	Fire Paramedic Levy	Capital Improvements	Other Governmental Funds	Total Governmental Funds
Fund Balance as previously reported	\$ 10,495,961	\$ (6,814)	\$ 2,783,739	\$ 7,161,953	\$ 20,434,839
GASB Statement No. 84	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>(29,990)</u>
Restated Fund Balance, at January 1, 2019	<u>\$ 10,465,961</u>	<u>\$ (6,814)</u>	<u>\$ 2,783,739</u>	<u>\$ 7,161,963</u>	<u>\$ 20,404,849</u>

The implementation of the GASB 84 pronouncement had the following effect on the net position as reported at January 1, 2019:

	Governmental Activities
Net position as previously reported	\$ 84,353,209
GASB Statement No. 84	<u>(29,990)</u>
Restated net position at January 1, 2019	<u>\$ 84,323,219</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

Due to the implementation of GASB Statement No.84, the new classification of custodial funds is reporting a beginning net position of \$12,955. Also, related to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. At December 31, 2018, agency funds reported assets and liabilities of \$1,984,135.

**C. Compliance**

Contrary to Section 5705.41 (B), Ohio Revised Code, the following funds and departments had expenditures plus encumbrances in excess of appropriations:

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
Fire paramedic levy fund			
Security of persons and property	\$ 771,212	\$ 783,280	\$ (12,068)

Although this budgetary violation was not corrected by year end, management has indicated that appropriations will be closely monitored to prevent future violations.

**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;

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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);
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, 2019, the City had \$2,050 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, 2019, the City had \$10,518 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, 2019, the carrying amount of all City deposits was \$11,184,398 and the bank balance of all City deposits was \$11,413,043. Of the bank balance, \$1,961,271 was covered by the FDIC and \$9,451,772 was covered by the Ohio Pooled Collateral System.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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 market 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 market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2019, 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.

**D. Investments**

As of December 31, 2019, the City had the following investments and maturities:

Measurement/ Investment type	Measurement Amount	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair Value:</i>						
Negotiable CDs	\$ 10,356,407	\$ -	\$ 1,732,871	\$ 249,107	\$ 1,987,103	\$ 6,387,326
U.S. Treasury notes	7,923,238	-	2,904,458	119,668	762,348	4,136,764
U.S. Government money market	192,639	192,639	-	-	-	-
<i>Amortized cost:</i>						
STAR Ohio	6,173,067	6,173,067	-	-	-	-
Total	<u>\$ 24,645,351</u>	<u>\$ 6,365,706</u>	<u>\$ 4,637,329</u>	<u>\$ 368,775</u>	<u>\$ 2,749,451</u>	<u>\$ 10,524,090</u>

The weighted average maturity of investments is 1.99 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.



**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Credit Risk:* Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. 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, 2019:

<u>Measurement/ Investment type</u>	<u>Measurement Amount</u>	<u>% to Total</u>
<i>Fair Value:</i>		
Negotiable CDs	\$ 10,356,407	42.02
U.S. Treasury notes	7,923,238	32.15
U.S. Government money market	192,639	0.78
<i>Amortized Cost:</i>		
STAR Ohio	<u>6,173,067</u>	<u>25.05</u>
Total	<u>\$ 24,645,351</u>	<u>100.00</u>

**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, 2019:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 11,184,398
Investments	24,645,351
Cash in segregated accounts	10,518
Cash on hand	<u>2,050</u>
Total	<u>\$ 35,842,317</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 21,935,859
Business-type activities	13,886,180
Custodial funds	<u>20,278</u>
Total	<u>\$ 35,842,317</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund transfers for the year ended December 31, 2019, consisted of the following, as reported on the fund financial statements:

Transfers from general fund to:

Sewer fund	\$ 500,000
Cemetery fund	10,000
Capital improvement fund	1,870,000
Nonmajor governmental funds	<u>1,870,000</u>
Total	<u>\$ 4,250,000</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.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2019 consisted of municipal income taxes, real and other taxes, other local taxes, accounts, special assessments, accrued interest, loans and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are expected to be collected within the subsequent year.

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. 2019 public utility property taxes became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 6 - RECEIVABLES - (Continued)**

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, 2019 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 2019 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, 2019 was \$7.53 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2019 property tax receipts were based are as follows:

Real property	\$	709,035,850
Public utility tangible personal property		16,540,590
Total assessed value	<u>\$</u>	<u>725,576,440</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.

**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 \$470,120 (less a refund of \$253,793) in 2019 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	\$ 212,744
State sales tax	100,366
Gasoline and excise tax	472,804
Motor vehicle license fees	70,425
Permissive motor vehicle license tax	65,443
County fines and forfeitures, fees, refunds and reimbursements	8,327
Total	<u>\$ 930,109</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 6 - RECEIVABLES - (Continued)**

**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, 2019, \$47,080 in loans receivable were repaid to the City, no new loans were issued by the City and \$81,613 in loans receivable were written off for various property owners. The loans outstanding at December 31, 2019 total \$307,646 and are to be repaid in accordance with the loan agreement upon the sale or abandonment of the various properties.

**NOTE 7 - CAPITAL ASSETS**

A. The capital asset activity of governmental activities for the year ended December 31, 2019, was as follows:

<b><u>Governmental activities:</u></b>	<u>Balance</u> <u>January 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2019</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 28,243,577	\$ 791,703	\$ -	\$ 29,035,280
Easements and right of ways	17,312,369	3,436	-	17,315,805
Construction in progress	<u>4,381,860</u>	<u>1,658,062</u>	<u>(2,593,106)</u>	<u>3,446,816</u>
Total capital assets, not being depreciated	<u>49,937,806</u>	<u>2,453,201</u>	<u>(2,593,106)</u>	<u>49,797,901</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	2,447,909	154,753	(58,699)	2,543,963
Buildings and improvements	14,996,777	1,533,340	(170,000)	16,360,117
Equipment	10,883,031	912,919	(810,920)	10,985,030
Infrastructure	<u>36,069,120</u>	<u>1,990,700</u>	<u>(652,168)</u>	<u>37,407,652</u>
Total capital assets, being depreciated	<u>64,396,837</u>	<u>4,591,712</u>	<u>(1,691,787)</u>	<u>67,296,762</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(1,184,725)	(91,747)	52,677	(1,223,795)
Buildings and improvements	(6,550,307)	(353,651)	70,722	(6,833,236)
Equipment	(6,632,298)	(636,638)	483,455	(6,785,481)
Infrastructure	<u>(8,494,311)</u>	<u>(894,621)</u>	<u>271,400</u>	<u>(9,117,532)</u>
Total accumulated depreciation	<u>(22,861,641)</u>	<u>(1,976,657)</u>	<u>878,254</u>	<u>(23,960,044)</u>
Total capital assets, being depreciated, net	<u>41,535,196</u>	<u>2,615,055</u>	<u>(813,533)</u>	<u>43,336,718</u>
Governmental activities capital assets, net	<u>\$ 91,473,002</u>	<u>\$ 5,068,256</u>	<u>\$ (3,406,639)</u>	<u>\$ 93,134,619</u>

Governmental activities received transfers of capital assets from business-type activities with a cost and accumulated depreciation of \$41,543 and \$39,466, respectively.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 7 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental activities as follows:

**Governmental activities:**

General government	\$ 209,347
Security of persons and property	380,113
Transportation	1,168,538
Community environment	20,688
Leisure time activity	<u>158,505</u>
Total depreciation expense - governmental activities	<u>\$ 1,937,191</u>

**B.** The capital asset activity of business-type activities for the year ended December 31, 2019, was as follows:

	Balance <u>January 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>December 31, 2019</u>
<b><u>Business-type activities:</u></b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 611,521	\$ -	\$ -	\$ 611,521
Easements	27,677	6,039	-	33,716
Construction in progress	<u>162,427</u>	<u>625,379</u>	<u>(192,406)</u>	<u>595,400</u>
Total capital assets, not being depreciated	<u>801,625</u>	<u>631,418</u>	<u>(192,406)</u>	<u>1,240,637</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	558,111	48,550	-	606,661
Buildings and improvements	16,640,500	5,241	(6,378)	16,639,363
Equipment	2,436,145	288,563	(123,969)	2,600,739
Infrastructure	<u>45,323,532</u>	<u>1,420,098</u>	<u>(63,624)</u>	<u>46,680,006</u>
Total capital assets, being depreciated	<u>64,958,288</u>	<u>1,762,452</u>	<u>(193,971)</u>	<u>66,526,769</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(161,508)	(22,843)	-	(184,351)
Buildings and improvements	(7,806,006)	(342,961)	2,294	(8,146,673)
Equipment	(1,496,639)	(204,526)	117,771	(1,583,394)
Infrastructure	<u>(14,797,953)</u>	<u>(951,293)</u>	<u>929</u>	<u>(15,748,317)</u>
Total accumulated depreciation	<u>(24,262,106)</u>	<u>(1,521,623)</u>	<u>120,994</u>	<u>(25,662,735)</u>
Total capital assets, being depreciated, net	<u>40,696,182</u>	<u>240,829</u>	<u>(72,977)</u>	<u>40,864,034</u>
Business-type activities capital assets, net	<u>\$ 41,497,807</u>	<u>\$ 872,247</u>	<u>\$ (265,383)</u>	<u>\$ 42,104,671</u>

Business-type activities received transfers of capital assets from governmental activities with a cost and accumulated depreciation of \$123,550 and \$69,772, respectively.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 7 - CAPITAL ASSETS - (Continued)**

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

**Business-type activities:**

Water	\$ 511,190
Sewer	929,254
Other nonmajor	<u>11,407</u>
Total depreciation expense - business-type activities	<u><u>\$ 1,451,851</u></u>

**NOTE 8 - LONG-TERM OBLIGATIONS**

Long-term bonds and loans outstanding for the governmental and business-type activities at December 31, 2019 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, 2019</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	\$ <u>2,635,000</u>
Total voted debt				<u><u>\$ 2,635,000</u></u>
Long-term loans payable:				
OPWC loan - CG32O (direct borrowing)	81,874	0.00%	July 1, 2024	<u>36,843</u>
Total long-term loans				<u><u>\$ 36,843</u></u>
Long-term notes payable:				
Promissory note (direct borrowing)	475,000	0.00%	February 1, 2022	<u>475,000</u>
Total long-term notes				<u><u>\$ 475,000</u></u>
Total governmental activities bonds, loans and notes				<u><u>\$ 3,146,843</u></u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)**

Business-type activities:

Unvoted general obligations bonds:

Weston Woods Subdivision					
bonds, series 2008	300,000	5.50-5.75%	December 1, 2028	\$	175,000
Total unvoted debt				\$	<u>175,000</u>

Long-term loans payable:

OWDA loans to be repaid from user fees (direct borrowing):

Central wastewater treatment facility	\$ 10,762,206	3.98-4.04%	January 1, 2021	\$	234,843
Sunny Lake Park	N/A	3.43%	January 1, 2030		22,518

OWPC loans (direct borrowing):

OPWC loan - CG21E	200,000	0.00%	January 1, 2024		40,000
OPWC loan - CG43P	230,092	0.00%	July 1, 2044		187,908

Total long-term loans \$ 485,269

Total business-type activities bonds and loans \$ 660,269

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

	Balance	Additions	Reductions	Balance	Amounts
	January 1, 2019			December 31, 2019	Due in
					One Year
<u>Governmental activities:</u>					
General obligation bonds	\$ 2,930,000	\$ -	\$ (295,000)	\$ 2,635,000	\$ 295,000
OPWC loans (direct borrowing)	69,681	-	(32,838)	36,843	4,094
Promissory note (direct borrowing)	-	475,000	-	475,000	160,000
Net pension liability	15,823,853	6,822,305	-	22,646,158	-
Net OPEB liability	13,600,097	665,388	(8,816,525)	5,448,960	-
Compensated absences	<u>1,215,079</u>	<u>135,571</u>	<u>(32,415)</u>	<u>1,318,235</u>	<u>12,033</u>
Total governmental activities long-term liabilities	<u>\$ 33,638,710</u>	<u>\$ 8,098,264</u>	<u>\$ (9,176,778)</u>	32,560,196	<u>\$ 471,127</u>
				Add: unamortized premiums on bond issues	170,536
				Total reported on the statement of net position	<u>\$ 32,730,732</u>
<u>Business-type activities:</u>					
General obligation bonds	\$ 190,000	\$ -	\$ (15,000)	\$ 175,000	\$ 15,000
OWDA loans (direct borrowing)	484,988	-	(227,627)	257,361	236,766
OPWC loans (direct borrowing)	245,578	-	(17,670)	227,908	8,835
Net pension liability	866,428	869,075	-	1,735,503	-
Net OPEB liability	604,812	240,510	-	845,322	-
Compensated absences	<u>51,205</u>	<u>(3,807)</u>	<u>-</u>	<u>47,398</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 2,443,011</u>	<u>\$ 1,105,778</u>	<u>\$ (260,297)</u>	3,288,492	<u>\$ 260,601</u>
				Add: unamortized premiums on bond issues	4,457
				Total reported on the statement of net position	<u>\$ 3,292,949</u>

**CITY OF AURORA, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)**

Net Pension Liability and Net OPEB Liability

See Notes 11 and 12 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.

Principal and interest paid for the current year was \$295,000 and \$94,912, 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 \$15,000 and \$10,925, respectively, paid from the sewer fund.

Promissory Note

On November 1, 2019, the City entered into a \$475,000 promissory note payable to finance the purchase of 92 acres of land. The promissory note bears no interest rate and will mature on February 1, 2022. Principal payments will be paid from the general fund.

The promissory note is a direct borrowing that has terms negotiated directly between the City and the creditor. The creditor, without notice to anyone, may declare the entire debt due after ten (10) calendar days continuous default in the payment of any installment of principal or interest or in the performance or observance of any covenant or condition contained in the mortgage securing this promissory note. Upon such declaration the entire debt shall be immediately due and payable.



**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)**

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 2029. Annual principal and interest payments on the loans are expected to require 14.28 percent of net revenues and 17.59 percent of total revenues. The principal and interest remaining to be paid on the loans is \$257,361 and \$9,102, respectively. Principal and interest paid by the sewer fund in the current year was \$227,627 and \$12,859, respectively, total net revenues were \$1,096,135, and total revenues were \$2,883,216.

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.

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) and the water fund. The loans in the water fund are payable from water 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
2020	\$ 295,000	\$ 90,118	\$ 385,118	\$ 4,094	\$ -	\$ 4,094
2021	300,000	84,587	384,587	8,187	-	8,187
2022	310,000	74,088	384,088	8,187	-	8,187
2023	320,000	63,238	383,238	8,188	-	8,188
2024	335,000	52,038	387,038	8,187	-	8,187
2025-2027	1,075,000	81,562	1,156,562	-	-	-
Total	<u>\$ 2,635,000</u>	<u>\$ 445,631</u>	<u>\$ 3,080,631</u>	<u>\$ 36,843</u>	<u>\$ -</u>	<u>\$ 36,843</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 8 - LONG-TERM OBLIGATIONS - (Continued)**

Year Ending December 31,	Promissory Note		
	Principal	Interest	Total
2020	\$ 160,000	\$ -	\$ 160,000
2021	160,000	-	160,000
2022	155,000	-	155,000
Total	<u>\$ 475,000</u>	<u>\$ -</u>	<u>\$ 475,000</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
2020	\$ 236,766	\$ 5,962	\$ 242,728	\$ 8,835	\$ -	\$ 8,835
2021	1,989	603	2,592	17,669	-	17,669
2022	2,059	543	2,602	17,670	-	17,670
2023	2,130	481	2,611	17,670	-	17,670
2024	2,203	481	2,684	12,670	-	12,670
2025-2029	12,214	1,032	13,246	38,348	-	38,348
2030-2034	-	-	-	38,349	-	38,349
2035-2039	-	-	-	38,348	-	38,348
2040-2044	-	-	-	38,349	-	38,349
Total	<u>\$ 257,361</u>	<u>\$ 9,102</u>	<u>\$ 266,463</u>	<u>\$ 227,908</u>	<u>\$ -</u>	<u>\$ 227,908</u>

Year Ending December 31,	G. O. Bonds		
	Principal	Interest	Total
2020	\$ 15,000	\$ 10,062	\$ 25,062
2021	15,000	9,200	24,200
2022	15,000	8,338	23,338
2023	20,000	7,475	27,475
2024	20,000	6,325	26,325
2025-2028	90,000	13,513	103,513
Total	<u>\$ 175,000</u>	<u>\$ 54,913</u>	<u>\$ 229,913</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, 2019, the City's voted debt margin was \$74,055,678 and the unvoted debt margin was \$39,906,704.

**CITY OF AURORA, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**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 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 \$39,255,976, \$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 \$500 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 Illinois National Insurance Company (AIG) with a \$10,000 deductible for \$1,000,000 in coverage for each person/ occurrence.

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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 10 - RISK MANAGEMENT - (Continued)**

Total contributions to the health insurance program during 2019 were \$1,739,043. The claims liability of \$54,468 reported in the government-wide financial statements at December 31, 2019 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:

	<u>Balance at Beginning of Year</u>	<u>Current Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2019	\$ 126,222	\$ (1,810,797)	\$ 1,739,043	\$ 54,468
2018	238,900	(2,276,878)	2,164,200	126,222

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 - DEFINED BENEFIT PENSION PLANS**

*Net Pension Liability/Asset*

The net pension liability/asset reported on the statement of net position represents a liability or asset to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions 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 represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension 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 are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

## CITY OF AURORA, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

GASB 68 assumes any net pension liability/asset is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability/asset on the accrual basis of accounting. Any liability for the contractually-required pension 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.

#### *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 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the Member-Directed Plan and the Combined Plan, substantially all employee members are in OPERS' Traditional Pension Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Pension Plan. 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 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 Pension Plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.00% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.00% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions. Members retiring under the Combined Plan receive a 3.00% COLA adjustment on the defined benefit portion of their benefit.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS’s Board of Trustees. 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. 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% each year. For additional information, see the Plan Statement in the OPERS CAFR.

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

	State and Local
<b>2019 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
<b>2019 Actual Contribution Rates</b>	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

\*\* This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

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 \$744,177 for 2019. Of this amount, \$74,254 is reported as due to other governments.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - 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 that may be obtained by visiting the OP&F website at [www.op-f.org](http://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 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.

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 and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3.00% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3.00% of their base pension or disability benefit.

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



**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>Police</u>	<u>Firefighters</u>
<b>2019 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
<b>2019 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50 %</u>	<u>0.50 %</u>
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 \$887,179 for 2019. Of this amount, \$100,027 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 the OPERS Traditional Pension Plan, Combined Plan and Member-Directed Plan, respectively, were measured as of December 31, 2018, 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, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. 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&amp;F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.034062%	0.037299%	0.038558%	0.184875%	
Proportion of the net pension liability/asset current measurement date	<u>0.034753%</u>	<u>0.057809%</u>	<u>0.037872%</u>	<u>0.182092%</u>	
Change in proportionate share	<u>0.000691%</u>	<u>0.020510%</u>	<u>-0.000686%</u>	<u>-0.002783%</u>	
Proportionate share of the net pension liability	\$ 9,518,142	\$ -	\$ -	\$ 14,863,519	\$ 24,381,661
Proportionate share of the net pension asset	-	(64,644)	(863)	-	(65,507)
Pension expense	2,111,402	17,938	(224)	1,993,039	4,122,155

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

At December 31, 2019, 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
<b>Deferred outflows of resources</b>					
Differences between expected and actual experience	\$ 439	\$ -	\$ 3,592	\$ 610,682	\$ 614,713
Net difference between projected and actual earnings on pension plan investments	1,291,879	13,927	286	1,831,172	3,137,264
Changes of assumptions	828,579	14,439	267	394,052	1,237,337
Changes in employer's proportionate percentage/ difference between employer contributions and proportionate share of contributions	173,075	-	-	362,315	535,390
Contributions subsequent to the measurement date	668,049	49,107	27,021	887,179	1,631,356
Total deferred outflows of resources	<u>\$ 2,962,021</u>	<u>\$ 77,473</u>	<u>\$ 31,166</u>	<u>\$ 4,085,400</u>	<u>\$ 7,156,060</u>
<b>Deferred inflows of resources</b>					
Differences between expected and actual experience	\$ 124,979	\$ 26,400	\$ -	\$ 13,878	\$ 165,257
Changes in employer's proportionate percentage/ difference between employer contributions and proportionate share of contributions	29,923	-	-	340,149	370,072
Total deferred inflows of resources	<u>\$ 154,902</u>	<u>\$ 26,400</u>	<u>\$ -</u>	<u>\$ 354,027</u>	<u>\$ 535,329</u>

\$1,631,356 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 the net pension liability/asset in the year ending December 31, 2020.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - 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
2020	\$ 952,509	\$ 2,181	\$ 597	\$ 895,026	\$ 1,850,313
2021	465,895	(598)	547	494,288	960,132
2022	119,849	(304)	555	536,898	656,998
2023	600,817	4,054	667	859,476	1,465,014
2024	-	(1,666)	492	58,506	57,332
Thereafter	-	(1,701)	1,287	-	(414)
<b>Total</b>	<b>\$ 2,139,070</b>	<b>\$ 1,966</b>	<b>\$ 4,145</b>	<b>\$ 2,844,194</b>	<b>\$ 4,989,375</b>

**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/asset was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67.

Wage inflation	3.25%
Future salary increases, including inflation	3.25% to 10.75% including wage inflation
COLA or ad hoc COLA	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2018, then 2.15% simple
Investment rate of return	
Current measurement date	7.20%
Prior measurement date	7.50%
Actuarial cost method	Individual entry age

## CITY OF AURORA, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### **NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2018, 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 for 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 2.94% for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS Board of Trustees 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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed income	23.00 %	2.79 %
Domestic equities	19.00	6.21
Real estate	10.00	4.90
Private equity	10.00	10.81
International equities	20.00	7.83
Other investments	18.00	5.50
<b>Total</b>	<b>100.00 %</b>	<b>5.95 %</b>

**Discount Rate** - The discount rate used to measure the total pension liability/asset was 7.20%, 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, 2018 was 7.50%. 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 benefits 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/asset.

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate** - The following table presents the City’s proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20%, as well as what the City’s proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20%) or one-percentage-point higher (8.20%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 14,061,064	\$ 9,518,142	\$ 5,742,933
Combined Plan	(21,389)	(64,644)	(95,963)
Member-Directed Plan	(379)	(863)	(1,515)

**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, 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 plan involve estimates 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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below.

Valuation date	1/1/18 with actuarial liabilities rolled forward to 12/31/18
Actuarial cost method	Entry age normal
Investment rate of return	8.00%
Projected salary increases	3.75% - 10.50%
Payroll increases	3.25%
Inflation assumptions	2.75%, plus productivity increase rate of 0.50%
Cost of living adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

The most recent experience study was completed for the five-year period ended December 31, 2016. The recommended assumption changes based on this experience study were adopted by OP&F's Board and were effective beginning with the January 1, 2018 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy and Guidelines. A forecasted rate of inflation serves as the 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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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, 2018 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	- %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-US Equity	16.00	6.10	5.90
Private Markets	8.00	8.40	8.40
Core Fixed Income *	23.00	2.20	2.60
High Yield Fixed Income	7.00	4.20	4.80
Private Credit	5.00	8.30	7.50
U.S. Inflation			
Linked Bonds *	17.00	1.30	2.30
Master Limited Partnerships	8.00	6.70	6.40
Real Assets	8.00	7.00	7.00
Private Real Estate	12.00	5.70	6.10
Total	<u>120.00 %</u>		

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include 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 1.20 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 8.00%. 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 8.00%. 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 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00%), or one percentage point higher (9.00%) than the current rate.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability	\$ 19,537,071	\$ 14,863,519	\$ 10,958,091

**NOTE 12 - DEFINED BENEFIT OPEB PLANS**

*Net OPEB Liability*

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability 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 these estimates annually.

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 OPEB are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan’s unfunded benefits is presented as a long-term net OPEB liability on the accrual basis of accounting. Any liability for the contractually-required 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.

***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.



## CITY OF AURORA, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This 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 refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

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 requiring 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. Health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, 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. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00% for the Traditional and Combined plans. 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 2019 was 4.00%.

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

The City's contractually required contribution was \$10,809 for 2019. Of this amount, \$1,079 is reported as due to other governments.

## CITY OF AURORA, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

##### *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 healthcare 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. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is 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 for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://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.

OP&F maintains funds for health care in two separate accounts. There is 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. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2019, 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 and is limited by the provisions of Sections 115 and 401(h).

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.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Beginning January 1, 2019, OP&F changed its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The City's contractually required contribution to OP&F was \$21,194 for 2019. Of this amount, \$2,390 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, 2017, rolled forward to the measurement date of December 31, 2018, 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, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. 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:

	OPERS	OP&F	Total
Proportion of the net OPEB liability prior measurement date	0.034350%	0.184875%	
Proportion of the net OPEB liability current measurement date	<u>0.035559%</u>	<u>0.182092%</u>	
Change in proportionate share	<u>0.001209%</u>	<u>-0.002783%</u>	
Proportionate share of the net OPEB liability	\$ 4,636,055	\$ 1,658,227	\$ 6,294,282
OPEB expense	\$ 461,855	\$ (8,143,641)	\$ (7,681,786)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 1,569	\$ -	\$ 1,569
Net difference between projected and actual earnings on OPEB plan investments	212,535	56,132	268,667
Changes of assumptions	149,471	859,546	1,009,017
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	135,708	235,580	371,288
Contributions subsequent to the measurement date	10,809	21,194	32,003
Total deferred outflows of resources	<u>\$ 510,092</u>	<u>\$ 1,172,452</u>	<u>\$ 1,682,544</u>
	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 12,579	\$ 44,428	\$ 57,007
Changes of assumptions	-	459,076	459,076
Changes in employer's proportionate percentage/difference between employer contributions and proportionate share of contributions	17,765	123,497	141,262
Total deferred inflows of resources	<u>\$ 30,344</u>	<u>\$ 627,001</u>	<u>\$ 657,345</u>

\$32,003 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 the net OPEB liability in the year ending December 31, 2020.

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, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Year Ending December 31:	OPERS	OP&F	Total
2020	\$ 236,828	\$ 93,569	\$ 330,397
2021	88,715	93,569	182,284
2022	36,330	93,570	129,900
2023	107,066	110,545	217,611
2024	-	83,780	83,780
Thereafter	-	49,224	49,224
<b>Total</b>	<b>\$ 468,939</b>	<b>\$ 524,257</b>	<b>\$ 993,196</b>

***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 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, 2017, rolled forward to the measurement date of December 31, 2018. 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	3.25%
Projected Salary Increases, including inflation	3.25 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	3.96%
Prior Measurement date	3.85%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.50%
Municipal Bond Rate	
Current measurement date	3.71%
Prior Measurement date	3.31%
Health Care Cost Trend Rate	
Current measurement date	10.00% initial, 3.25% ultimate in 2029
Prior Measurement date	7.50%, initial 3.25%, ultimate in 2028
Actuarial Cost Method	Individual Entry Age

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

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 real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2018, 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 is 5.60% for 2018.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees 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. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Discount Rate** - A single discount rate of 3.96% was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85% was used to measure the OPEB liability on the measurement date of December 31, 2017. 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) 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 an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.71%. 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, 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 City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96%, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96%) or one-percentage-point higher (4.96%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 5,931,241	\$ 4,636,055	\$ 3,606,038

**Sensitivity of the City/County'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 that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00%. 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 that in the not-too-distant future, the health plan 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 3.25% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 4,456,254	\$ 4,636,055	\$ 4,843,136

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

*Actuarial Assumptions – OP&F*

OP&F's total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, 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 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, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00%
Projected Salary Increases	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%
Single discount rate:	
Current measurement date	4.66%
Prior measurement date	3.24%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.



**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

The most recent experience study was completed for the five-year period ended December 31, 2016.

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 the Statement of Investment Policy. A forecasted rate of inflation serves as the 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 averaged 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, 2018, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Real Rate of Return **</u>	<u>30 Year Expected Real Rate of Return **</u>
Cash and Cash Equivalents	- %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-US Equity	16.00	6.10	5.90
Private Markets	8.00	8.40	8.40
Core Fixed Income *	23.00	2.20	2.60
High Yield Fixed Income	7.00	4.20	4.80
Private Credit	5.00	8.30	7.50
U.S. Inflation			
Linked Bonds *	17.00	1.30	2.30
Master Limited Partnerships	8.00	6.70	6.40
Real Assets	8.00	7.00	7.00
Private Real Estate	12.00	5.70	6.10
Total	<u>120.00 %</u>		

Note: assumptions are geometric.

\* levered 2x

\*\* numbers include inflation

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 12 - DEFINED BENEFIT OPEB 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 their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** - The total OPEB liability was calculated using the discount rate of 4.66%. A discount rate of 3.24% was used to measure the total OPEB liability at December 31, 2017. The projection of cash flows used to determine the discount rate assumed the contribution 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 8.00%. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13% at December 31, 2018 and 3.16% at December 31, 2017, was blended with the long-term rate of 8.00%, which resulted in a blended discount rate of 4.66%. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, 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** - 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 4.66%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.66%), or one percentage point higher (5.66%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net OPEB liability	\$ 2,020,173	\$ 1,658,227	\$ 1,354,404

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate** - Due to the change from a self-funded plan to the stipend plan, disclosure of the healthcare cost trend rate for OP&F is no longer available.

**Changes Between Measurement Date and Report Date** - Beginning January 1, 2019 OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current healthcare model to the stipend based healthcare model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Although the exact amount of these changes is not known, the overall decrease to the City's net OPEB liability is expected to be significant.

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - 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 and for the fire paramedic levy fund are 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).

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:

	<b>Net Change in Fund Balance</b>	
	<u>General Fund</u>	<u>Fire Paramedic Levy Fund</u>
Budget basis	\$ 703,412	\$ 86,943
Net adjustment for revenue accruals	152,868	921
Net adjustment for expenditure accruals	(311,767)	2,647
Net adjustment for other sources/uses	469,307	-
Funds budgeted elsewhere	(1,143)	-
Adjustment for encumbrances	<u>351,052</u>	<u>20,403</u>
GAAP basis	<u>\$ 1,363,729</u>	<u>\$ 110,914</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 13 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

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 14 - 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, 2019.

**B. Litigation**

At December 31, 2019, the City was not involved in any pending litigation that would potentially have a material adverse effect on the City's financial position.

**NOTE 15 - 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, 2019:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Amount Expended</u>	<u>Amount Outstanding</u>
Greenwich Electric, Inc.	\$ 249,619	\$ (78,310)	\$ 171,309
Village of Reminderville	350,000	(300,000)	50,000
Revize LLC	16,400	(6,900)	9,500
Stantec Consulting Services, Inc.	490,000	(264,543)	225,457
TMS Engineers	543,000	(366,920)	176,080
Glaus, Pyle, Schomer, Burns & Dehaven, Inc.	379,605	(237,378)	142,227
Stantec Consulting Services, Inc.	48,500	(13,253)	35,247
Prime AE Group, Inc.	200	-	200
The Cornice Company	25,200	(8,153)	17,047
Burgess & Niple, Inc.	90,500	(47,606)	42,894
Hedjuk-Cox and Associates	39,918	(15,104)	24,814
Daniel Terreri & Sons	137,000	(118,479)	18,521
Perrin Asphalt & Concrete	295,525	(283,704)	11,821
Software Solutions, Inc.	5,625	-	5,625
Total Contractual Commitments	<u>\$ 2,671,092</u>	<u>\$ (1,740,350)</u>	<u>\$ 930,742</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 16 - 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	Fire Paramedic Levy Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepayments	\$ 231,984	\$ 9,509	\$ 4,778	\$ 41,201	\$ 287,472
Materials and supplies inventory	17,868	-	-	-	17,868
Unclaimed monies	43,331	-	-	-	43,331
Total nonspendable	<u>293,183</u>	<u>9,509</u>	<u>4,778</u>	<u>41,201</u>	<u>348,671</u>
Restricted:					
Capital projects	-	-	-	306,175	306,175
Debt service	-	-	-	505,152	505,152
Transportation projects	-	-	-	1,449,905	1,449,905
Community environment	-	-	-	519,300	519,300
Security of persons and property	-	94,591	-	827,268	921,859
Other purposes	-	-	-	124,334	124,334
Total restricted	<u>-</u>	<u>94,591</u>	<u>-</u>	<u>3,732,134</u>	<u>3,826,725</u>
Committed:					
Capital projects	25,923	-	2,948,360	205,321	3,179,604
General government	14,616	-	-	-	14,616
Security of persons and property	5,001	-	-	-	5,001
Transportation projects	86,840	-	-	27,200	114,040
Community environment	21,563	-	-	-	21,563
Leisure time activities	-	-	-	309,507	309,507
Medical reserve	750,000	-	-	-	750,000
Other purposes	-	-	-	17,385	17,385
Total committed	<u>903,943</u>	<u>-</u>	<u>2,948,360</u>	<u>559,413</u>	<u>4,411,716</u>
Assigned:					
Capital projects	-	-	-	2,608,948	2,608,948
General government	22,290	-	-	-	22,290
Security of persons and property	43,007	-	-	-	43,007
Transportation projects	61,667	-	-	-	61,667
Community environment	13,737	-	-	-	13,737
Total assigned	<u>140,701</u>	<u>-</u>	<u>-</u>	<u>2,608,948</u>	<u>2,749,649</u>
Unassigned	<u>10,491,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,491,863</u>
Total fund balances	<u>\$ 11,829,690</u>	<u>\$ 104,100</u>	<u>\$ 2,953,138</u>	<u>\$ 6,941,696</u>	<u>\$ 21,828,624</u>

**CITY OF AURORA, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

**NOTE 17 - 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	\$ 298,944
Fire paramedic levy fund	20,403
Capital improvements fund	593,776
Nonmajor governmental funds	<u>570,415</u>
Total	<u>\$ 1,483,538</u>

**NOTE 18 - TAX ABATEMENTS**

As of December 31, 2019, 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 2019 was \$83,696.

**NOTE 19 - SIGNIFICANT SUBSEQUENT EVENTS**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plan in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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 SIX YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Traditional Plan:</i>				
City's proportion of the net pension liability	0.034753%	0.034062%	0.033195%	0.034542%
City's proportionate share of the net pension liability	\$ 9,518,142	\$ 5,343,667	\$ 7,538,019	\$ 5,983,109
City's covered payroll	\$ 4,712,157	\$ 4,509,446	\$ 4,311,208	\$ 4,336,775
City's proportionate share of the net pension liability as a percentage of its covered payroll	201.99%	118.50%	174.85%	137.96%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	84.66%	77.25%	81.08%
<i>Combined Plan:</i>				
City's proportion of the net pension asset	0.057809%	0.037299%	0.038438%	0.044830%
City's proportionate share of the net pension asset	\$ 64,644	\$ 50,777	\$ 21,394	\$ 21,815
City's covered payroll	\$ 247,243	\$ 152,754	\$ 149,625	\$ 149,883
City's proportionate share of the net pension asset as a percentage of its covered payroll	26.15%	33.24%	14.30%	14.55%
Plan fiduciary net position as a percentage of the total pension asset	126.64%	137.28%	116.55%	116.90%
<i>Member Directed Plan:</i>				
City's proportion of the net pension asset	0.037872%	0.038558%	0.040272%	0.035117%
City's proportionate share of the net pension asset	\$ 863	\$ 1,346	\$ 168	\$ 134
City's covered payroll	\$ 216,490	\$ 211,330	\$ 164,692	\$ 185,967
City's proportionate share of the net pension asset as a percentage of its covered payroll	0.40%	0.64%	0.10%	0.07%
Plan fiduciary net position as a percentage of the total pension asset	113.42%	124.45%	103.40%	103.91%

Note: Information prior to 2014 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>2015</u>	<u>2014</u>
	0.035408%	0.035408%
\$	4,270,601	\$ 4,174,143
\$	4,352,192	\$ 4,267,338
	98.13%	97.82%
	86.45%	86.36%
	0.042465%	0.042465%
\$	16,351	\$ 4,457
\$	155,225	\$ 135,769
	10.53%	3.28%
	114.83%	104.56%
	n/a	n/a
	n/a	n/a
	n/a	n/a
	n/a	n/a
	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 SIX YEARS			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
City's proportion of the net pension liability	0.182092%	0.184875%	0.177907%	0.185601%
City's proportionate share of the net pension liability	\$ 14,863,519	\$ 11,346,614	\$ 11,268,412	\$ 11,939,871
City's covered payroll	\$ 4,177,711	\$ 4,086,961	\$ 3,892,507	\$ 3,814,159
City's proportionate share of the net pension liability as a percentage of its covered payroll	355.78%	277.63%	289.49%	313.04%
Plan fiduciary net position as a percentage of the total pension liability	63.07%	70.91%	68.36%	66.77%

Note: Information prior to 2014 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>2015</u>	<u>2014</u>
0.180675%	0.180675%
\$ 9,359,693	\$ 8,799,414
\$ 3,629,439	\$ 3,605,323
257.88%	244.07%
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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Traditional Plan:</i>				
Contractually required contribution	\$ 668,049	\$ 659,702	\$ 586,228	\$ 517,345
Contributions in relation to the contractually required contribution	<u>(668,049)</u>	<u>(659,702)</u>	<u>(586,228)</u>	<u>(517,345)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,771,779	\$ 4,712,157	\$ 4,509,446	\$ 4,311,208
Contributions as a percentage of covered payroll	14.00%	14.00%	13.00%	12.00%
<i>Combined Plan:</i>				
Contractually required contribution	\$ 49,107	\$ 34,614	\$ 19,858	\$ 17,955
Contributions in relation to the contractually required contribution	<u>(49,107)</u>	<u>(34,614)</u>	<u>(19,858)</u>	<u>(17,955)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 350,764	\$ 247,243	\$ 152,754	\$ 149,625
Contributions as a percentage of covered payroll	14.00%	14.00%	13.00%	12.00%
<i>Member Directed Plan:</i>				
Contractually required contribution	\$ 27,021	\$ 21,649	\$ 21,133	\$ 19,763
Contributions in relation to the contractually required contribution	<u>(27,021)</u>	<u>(21,649)</u>	<u>(21,133)</u>	<u>(19,763)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 270,210	\$ 216,490	\$ 211,330	\$ 164,692
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	12.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 520,413	\$ 522,263	\$ 554,754	\$ 407,678	\$ 408,274	\$ 388,125
<u>(520,413)</u>	<u>(522,263)</u>	<u>(554,754)</u>	<u>(407,678)</u>	<u>(408,274)</u>	<u>(388,125)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,336,775	\$ 4,352,192	\$ 4,267,338	\$ 4,076,780	\$ 4,082,740	\$ 4,351,177
12.00%	12.00%	13.00%	10.00%	10.00%	8.92%
\$ 17,986	\$ 18,627	\$ 17,650	\$ 10,025	\$ 10,220	\$ 12,271
<u>(17,986)</u>	<u>(18,627)</u>	<u>(17,650)</u>	<u>(10,025)</u>	<u>(10,220)</u>	<u>(12,271)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 149,883	\$ 155,225	\$ 135,769	\$ 126,101	\$ 128,553	\$ 126,636
12.00%	12.00%	13.00%	7.95%	7.95%	9.69%
\$ 22,316					
<u>(22,316)</u>					
<u>\$ -</u>					
\$ 185,967					
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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Police:</i>				
Contractually required contribution	\$ 460,034	\$ 452,567	\$ 443,531	\$ 419,693
Contributions in relation to the contractually required contribution	<u>(460,034)</u>	<u>(452,567)</u>	<u>(443,531)</u>	<u>(419,693)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,421,232	\$ 2,381,932	\$ 2,334,374	\$ 2,208,911
Contributions as a percentage of covered payroll	19.00%	19.00%	19.00%	19.00%
<i>Fire:</i>				
Contractually required contribution	\$ 427,145	\$ 422,008	\$ 411,858	\$ 395,645
Contributions in relation to the contractually required contribution	<u>(427,145)</u>	<u>(422,008)</u>	<u>(411,858)</u>	<u>(395,645)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,817,638	\$ 1,795,779	\$ 1,752,587	\$ 1,683,596
Contributions as a percentage of covered payroll	23.50%	23.50%	23.50%	23.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 410,562	\$ 397,616	\$ 331,987	\$ 252,147	\$ 251,971	\$ 237,763
<u>(410,562)</u>	<u>(397,616)</u>	<u>(331,987)</u>	<u>(252,147)</u>	<u>(251,971)</u>	<u>(237,763)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,160,853	\$ 2,092,716	\$ 2,090,598	\$ 1,977,624	\$ 1,976,243	\$ 1,864,808
19.00%	19.00%	15.88%	12.75%	12.75%	12.75%
\$ 388,527	\$ 361,130	\$ 308,701	\$ 252,664	\$ 260,890	\$ 242,674
<u>(388,527)</u>	<u>(361,130)</u>	<u>(308,701)</u>	<u>(252,664)</u>	<u>(260,890)</u>	<u>(242,674)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,653,306	\$ 1,536,723	\$ 1,514,725	\$ 1,464,719	\$ 1,512,406	\$ 1,406,806
23.50%	23.50%	20.38%	17.25%	17.25%	17.25%

**CITY OF AURORA, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST THREE YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.035559%	0.034350%	0.033528%
City's proportionate share of the net OPEB liability	\$ 4,636,055	\$ 3,730,157	\$ 3,386,413
City's covered payroll	\$ 5,175,890	\$ 4,873,530	\$ 4,625,525
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	89.57%	76.54%	73.21%
Plan fiduciary net position as a percentage of the total OPEB liability	46.33%	54.14%	54.05%

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



**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 THREE YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability	0.182092%	0.184875%	0.177907%
City's proportionate share of the net OPEB liability	\$ 1,658,227	\$ 10,474,752	\$ 8,444,845
City's covered payroll	\$ 4,177,711	\$ 4,086,961	\$ 3,892,507
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	39.69%	256.30%	216.95%
Plan fiduciary net position as a percentage of the total OPEB liability	46.57%	14.13%	15.96%

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

**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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 10,809	\$ 8,660	\$ 55,075	\$ 98,578
Contributions in relation to the contractually required contribution	<u>(10,809)</u>	<u>(8,660)</u>	<u>(55,075)</u>	<u>(98,578)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 5,392,753	\$ 5,175,890	\$ 4,873,530	\$ 4,625,525
Contributions as a percentage of covered payroll	0.20%	0.17%	1.13%	2.13%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 89,734	\$ 89,845	\$ 44,012	\$ 170,688	\$ 171,074	\$ 226,732
<u>(89,734)</u>	<u>(89,845)</u>	<u>(44,012)</u>	<u>(170,688)</u>	<u>(171,074)</u>	<u>(226,732)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,672,625	\$ 4,507,417	\$ 4,403,107	\$ 4,202,881	\$ 4,211,293	\$ 4,477,813
1.92%	1.99%	1.00%	4.06%	4.06%	5.06%

**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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Police:</i>				
Contractually required contribution	\$ 12,106	\$ 11,910	\$ 11,672	\$ 11,045
Contributions in relation to the contractually required contribution	<u>(12,106)</u>	<u>(11,910)</u>	<u>(11,672)</u>	<u>(11,045)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,421,232	\$ 2,381,932	\$ 2,334,374	\$ 2,208,911
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%
<i>Fire:</i>				
Contractually required contribution	\$ 9,088	\$ 8,979	\$ 8,763	\$ 8,418
Contributions in relation to the contractually required contribution	<u>(9,088)</u>	<u>(8,979)</u>	<u>(8,763)</u>	<u>(8,418)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,817,638	\$ 1,795,779	\$ 1,752,587	\$ 1,683,596
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 11,096	\$ 10,430	\$ 73,589	\$ 133,489	\$ 133,396	\$ 125,875
<u>(11,096)</u>	<u>(10,430)</u>	<u>(73,589)</u>	<u>(133,489)</u>	<u>(133,396)</u>	<u>(125,875)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,160,853	\$ 2,092,716	\$ 2,090,598	\$ 1,977,624	\$ 1,976,243	\$ 1,864,808
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%
\$ 8,267	\$ 7,651	\$ 53,803	\$ 98,868	\$ 102,087	\$ 94,960
<u>(8,267)</u>	<u>(7,651)</u>	<u>(53,803)</u>	<u>(98,868)</u>	<u>(102,087)</u>	<u>(94,960)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,653,306	\$ 1,536,723	\$ 1,514,725	\$ 1,464,719	\$ 1,512,406	\$ 1,406,806
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%

**CITY OF AURORA, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**PENSION**

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2019.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions 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%.

**OHIO POLICE AND FIRE (OP&F) PENSION FUND**

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2014-2019.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following were the most significant changes of assumptions that affected the total pension since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.50% 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.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

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*OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for 2017-2019.

*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% percent 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.

**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.

*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%.

**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 to 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:

**Major Special Revenue Fund**

***Fire Paramedic Levy Fund***

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

**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.

***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.

***Streetscape Abatement***

This fund is restricted for the purchase of items enhancing the City's streetscape.

***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)**

***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.

***Police D.A.R.E.***

This fund accounts for grant dollars for drug abuse resistance education.

***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.

***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.

***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.

***Varsity Field Improvement***

This fund accounts for donations/grants and associated expenditures related to the Aurora Schools' athletic field renovations.

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 Improvement***

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.

***Building and Grounds***

This fund accounts for capital expenditures pertaining to City buildings and properties.

***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.

***Aurora Lake Road Capital***

This fund accounts for receipts from new development pertaining to maintenance and repair for Aurora Lake Road.

**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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 13,602,000	\$ 13,602,000	\$ 15,299,918	\$ 1,697,918
Real and other taxes . . . . .	1,536,019	1,536,019	1,509,242	(26,777)
Other local taxes . . . . .	409,200	409,200	384,847	(24,353)
Charges for services . . . . .	191,249	191,249	187,037	(4,212)
Licenses and permits . . . . .	269,000	269,000	553,765	284,765
Fines and forfeitures . . . . .	20,000	20,000	49,908	29,908
Intergovernmental . . . . .	363,000	363,000	425,515	62,515
Investment income . . . . .	546,250	546,250	588,049	41,799
Rental income . . . . .	16,200	16,200	16,955	755
Other . . . . .	251,400	251,400	360,690	109,290
Total revenues . . . . .	<u>17,204,318</u>	<u>17,204,318</u>	<u>19,375,926</u>	<u>2,171,608</u>
<b>Expenditures:</b>				
Current:				
General government				
Mayor . . . . .	754,059	754,059	568,945	185,114
Civil services. . . . .	20,270	20,270	13,434	6,836
Finance . . . . .	1,120,157	1,120,157	1,044,989	75,168
Legal . . . . .	451,461	451,461	418,321	33,140
Legislative . . . . .	260,848	260,848	230,711	30,137
Contingencies . . . . .	155,799	281,299	266,356	14,943
Total general government. . . . .	<u>2,762,594</u>	<u>2,888,094</u>	<u>2,542,756</u>	<u>345,338</u>
Security of persons and property				
Police. . . . .	5,404,496	5,404,496	4,990,496	414,000
Fire. . . . .	2,974,153	3,074,153	2,763,330	310,823
Total security of persons and property . . . . .	<u>8,378,649</u>	<u>8,478,649</u>	<u>7,753,826</u>	<u>724,823</u>
Transportation				
Service . . . . .	2,793,968	2,793,968	2,496,164	297,804
Total transportation. . . . .	<u>2,793,968</u>	<u>2,793,968</u>	<u>2,496,164</u>	<u>297,804</u>
Community environment				
Engineering . . . . .	439,154	439,154	396,492	42,662
Planning and zoning . . . . .	1,005,946	1,005,946	857,213	148,733
Total community enviroment. . . . .	<u>1,445,100</u>	<u>1,445,100</u>	<u>1,253,705</u>	<u>191,395</u>
Contingencies . . . . .	159,629	647,179	383,543	263,636
Total Capital outlay . . . . .	<u>159,629</u>	<u>647,179</u>	<u>383,543</u>	<u>263,636</u>
Total expenditures. . . . .	<u>15,539,940</u>	<u>16,252,990</u>	<u>14,429,994</u>	<u>1,822,996</u>
Excess of revenues over expenditures. . . . .	<u>1,664,378</u>	<u>951,328</u>	<u>4,945,932</u>	<u>3,994,604</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets . . . . .	5,000	5,000	1,787	(3,213)
Advances in. . . . .	30,000	30,000	30,000	-
Advances (out) . . . . .	-	(25,000)	(25,000)	-
Transfers in . . . . .	693	693	693	-
Transfers (out) . . . . .	(1,750,000)	(4,250,000)	(4,250,000)	-
Total other financing (uses). . . . .	<u>(1,714,307)</u>	<u>(4,239,307)</u>	<u>(4,242,520)</u>	<u>(3,213)</u>
Net change in fund balance . . . . .	(49,929)	(3,287,979)	703,412	3,991,391
<b>Unencumbered fund balance at beginning of year.</b>	8,417,175	8,417,175	8,417,175	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>256,943</u>	<u>256,943</u>	<u>256,943</u>	<u>-</u>
<b>Unencumbered fund balance at end of year . . . . .</b>	<u>\$ 8,624,189</u>	<u>\$ 5,386,139</u>	<u>\$ 9,377,530</u>	<u>\$ 3,991,391</u>

**CITY OF AURORA, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MAJOR SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Fire Paramedic Levy</b>				
Total revenues and other sources . . . . .	\$ 932,400	\$ 932,400	\$ 938,136	\$ 5,736
Total expenditures and other uses. . . . .	<u>824,580</u>	<u>842,580</u>	<u>851,193</u>	<u>(8,613)</u>
Net change in fund balances . . . . .	107,820	89,820	86,943	(2,877)
Fund balance at beginning of year. . . . .	353	353	353	-
Prior year encumbrances appropriated. . . . .	<u>11,668</u>	<u>11,668</u>	<u>11,668</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 119,841</u>	<u>\$ 101,841</u>	<u>\$ 98,964</u>	<u>\$ (2,877)</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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Postive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Capital Improvement</b>				
Total revenues and other sources . . . . .	\$ 615,500	\$ 615,500	\$ 2,555,594	\$ 1,940,094
Total expenditures and other uses. . . . .	<u>3,314,529</u>	<u>3,407,001</u>	<u>3,061,572</u>	<u>345,429</u>
Net change in fund balances . . . . .	(2,699,029)	(2,791,501)	(505,978)	2,285,523
Fund balance at beginning of year. . . . .	2,235,487	2,235,487	2,235,487	-
Prior year encumbrances appropriated. . . . .	<u>557,280</u>	<u>557,280</u>	<u>557,280</u>	-
Fund balance at end of year . . . . .	<u>\$ 93,738</u>	<u>\$ 1,266</u>	<u>\$ 2,286,789</u>	<u>\$ 2,285,523</u>

**CITY OF AURORA, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments . . . . .	\$ 3,002,214	\$ 505,152	\$ 3,432,592	\$ 6,939,958
Receivables:				
Real and other taxes . . . . .	881,448	399,859	-	1,281,307
Accounts . . . . .	4,735	-	-	4,735
Accrued interest. . . . .	126	-	-	126
Special assessments. . . . .	3,174	-	-	3,174
Loans . . . . .	307,646	-	-	307,646
Due from other governments. . . . .	653,710	27,657	-	681,367
Prepayments . . . . .	41,201	-	-	41,201
Total assets . . . . .	<u>\$ 4,894,254</u>	<u>\$ 932,668</u>	<u>\$ 3,432,592</u>	<u>\$ 9,259,514</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 31,670	\$ -	\$ -	\$ 31,670
Contracts payable . . . . .	81,735	-	312,148	393,883
Retainage payable . . . . .	13,829	-	-	13,829
Accrued wages and benefits . . . . .	18,233	-	-	18,233
Due to other governments. . . . .	10,533	-	-	10,533
Total liabilities . . . . .	<u>156,000</u>	<u>-</u>	<u>312,148</u>	<u>468,148</u>
<b>Deferred inflows of resources:</b>				
Real and other taxes levied for the next fiscal year . . . . .	843,259	384,556	-	1,227,815
Delinquent property tax revenue not available . . . . .	32,369	15,303	-	47,672
Special assessments revenue not available . . . . .	3,174	-	-	3,174
Intergovernmental revenue not available . . . . .	543,352	27,657	-	571,009
Total deferred inflows of resources. . . . .	<u>1,422,154</u>	<u>427,516</u>	<u>-</u>	<u>1,849,670</u>
<b>Fund Balances:</b>				
Nonspendable . . . . .	41,201	-	-	41,201
Restricted . . . . .	2,920,807	505,152	306,175	3,732,134
Committed . . . . .	354,092	-	205,321	559,413
Assigned . . . . .	-	-	2,608,948	2,608,948
Total fund balances . . . . .	<u>3,316,100</u>	<u>505,152</u>	<u>3,120,444</u>	<u>6,941,696</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 4,894,254</u>	<u>\$ 932,668</u>	<u>\$ 3,432,592</u>	<u>\$ 9,259,514</u>

**CITY OF AURORA, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Real and other taxes . . . . .	\$ 737,725	\$ 345,868	\$ -	\$ 1,083,593
Other local taxes . . . . .	38,384	-	-	38,384
Charges for services . . . . .	421,220	-	-	421,220
Fines and forfeitures . . . . .	6,018	-	-	6,018
Intergovernmental . . . . .	1,130,239	43,972	-	1,174,211
Investment income . . . . .	36,979	-	-	36,979
Contributions and donations . . . . .	3,000	-	-	3,000
Other revenue . . . . .	15,890	-	122,446	138,336
Total revenues . . . . .	<u>2,389,455</u>	<u>389,840</u>	<u>122,446</u>	<u>2,901,741</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	50,415	5,696	-	56,111
Security of persons and property . . . . .	117,202	-	-	117,202
Transportation . . . . .	345,603	-	-	345,603
Community environment . . . . .	86,362	-	-	86,362
Leisure time activity. . . . .	1,827,323	-	-	1,827,323
Capital outlay . . . . .	1,351,743	-	784,913	2,136,656
Debt service:				
Principal retirement. . . . .	32,838	295,000	-	327,838
Interest and fiscal charges . . . . .	-	94,913	-	94,913
Total expenditures. . . . .	<u>3,811,486</u>	<u>395,609</u>	<u>784,913</u>	<u>4,992,008</u>
Excess of expenditures over revenues. . . . .	<u>(1,422,031)</u>	<u>(5,769)</u>	<u>(662,467)</u>	<u>(2,090,267)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	1,860,000	-	10,000	1,870,000
Total other financing sources . . . . .	<u>1,860,000</u>	<u>-</u>	<u>10,000</u>	<u>1,870,000</u>
Net change in fund balances. . . . .	437,969	(5,769)	(652,467)	(220,267)
<b>Fund balances at beginning of year . . . . .</b>	<u>2,878,131</u>	<u>510,921</u>	<u>3,772,911</u>	<u>7,161,963</u>
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 3,316,100</u></u>	<u><u>\$ 505,152</u></u>	<u><u>\$ 3,120,444</u></u>	<u><u>\$ 6,941,696</u></u>

**CITY OF AURORA, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2019

	<u>Special Assesment</u>	<u>Capital FEMA Grant</u>	<u>CHIP</u>	<u>Police Wireless 911</u>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments . . . . .	\$ 50,944	\$ 8,122	\$ 212,720	\$ 9,903
Receivables:				
Real and other taxes . . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Accrued interest. . . . .	-	-	-	-
Special assessments. . . . .	3,174	-	-	-
Loans . . . . .	-	-	307,646	-
Due from other governments. . . . .	-	-	-	-
Prepayments . . . . .	-	-	-	21,940
Total assets . . . . .	<u>\$ 54,118</u>	<u>\$ 8,122</u>	<u>\$ 520,366</u>	<u>\$ 31,843</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ -	\$ 1,066	\$ -
Contracts payable . . . . .	-	8,122	-	-
Retainage payable . . . . .	-	-	-	-
Accrued wages and benefits . . . . .	-	-	-	-
Due to other governments. . . . .	-	-	-	-
Total liabilities . . . . .	<u>-</u>	<u>8,122</u>	<u>1,066</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Real and other taxes levied for the next fiscal year . . . . .	-	-	-	-
Delinquent property tax revenue not available . . . . .	-	-	-	-
Special assessments revenue not available . . . . .	3,174	-	-	-
Intergovernmental revenue not available . . . . .	-	-	-	-
Total deferred inflows of resources . . . . .	<u>3,174</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Nonspendable . . . . .	-	-	-	21,940
Restricted . . . . .	50,944	-	519,300	9,903
Committed . . . . .	-	-	-	-
Total fund balances. . . . .	<u>50,944</u>	<u>-</u>	<u>519,300</u>	<u>31,843</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 54,118</u>	<u>\$ 8,122</u>	<u>\$ 520,366</u>	<u>\$ 31,843</u>



<u>Streetscape Abatement</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>
\$ 27,200	\$ 21,793	\$ 198	\$ 7,774	\$ 388,063	\$ 161,171	\$ 666,097
-	-	-	-	576,215	122,483	176,930
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	29,784	6,382	8,510
-	-	-	-	-	-	-
<u>\$ 27,200</u>	<u>\$ 21,793</u>	<u>\$ 198</u>	<u>\$ 7,774</u>	<u>\$ 994,062</u>	<u>\$ 290,036</u>	<u>\$ 851,537</u>
\$ -	\$ -	\$ -	\$ 2,100	\$ -	\$ -	\$ -
-	-	-	-	41,607	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,100	41,607	-	-
-	-	-	-	554,762	118,021	170,476
-	-	-	-	21,453	4,462	6,454
-	-	-	-	-	-	-
-	-	-	-	29,784	6,382	8,510
-	-	-	-	605,999	128,865	185,440
-	-	-	-	-	-	-
-	21,793	-	-	346,456	161,171	666,097
27,200	-	198	5,674	-	-	-
<u>27,200</u>	<u>21,793</u>	<u>198</u>	<u>5,674</u>	<u>346,456</u>	<u>161,171</u>	<u>666,097</u>
<u>\$ 27,200</u>	<u>\$ 21,793</u>	<u>\$ 198</u>	<u>\$ 7,774</u>	<u>\$ 994,062</u>	<u>\$ 290,036</u>	<u>\$ 851,537</u>

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**CITY OF AURORA, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS - (CONTINUED)  
DECEMBER 31, 2019

	<b>Street Construction Maintenance &amp; Repair</b>	<b>Street Highway Improvement</b>	<b>Police D.A.R.E.</b>	<b>Sunny Lake Oil Royalties</b>
<b>Assets:</b>				
Equity in pooled cash, cash equivalents and investments . . . . .	\$ 676,867	\$ 370,970	\$ 84	\$ 16,653
Receivables:				
Real and other taxes . . . . .	-	-	-	-
Accounts . . . . .	-	-	-	524
Accrued interest. . . . .	86	40	-	-
Special assessments. . . . .	-	-	-	-
Loans . . . . .	-	-	-	-
Due from other governments. . . . .	568,286	40,386	-	-
Prepayments . . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 1,245,239</u>	<u>\$ 411,396</u>	<u>\$ 84</u>	<u>\$ 17,177</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 7,995	\$ 680	\$ -	\$ -
Contracts payable . . . . .	-	32,006	-	-
Retainage payable . . . . .	11,821	2,008	-	-
Accrued wages and benefits . . . . .	-	-	-	-
Due to other governments. . . . .	-	-	-	-
Total liabilities . . . . .	<u>19,816</u>	<u>34,694</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Real and other taxes levied for the next fiscal year . .	-	-	-	-
Delinquent property tax revenue not available . . . .	-	-	-	-
Special assessments revenue not available . . . . .	-	-	-	-
Intergovernmental revenue not available . . . . .	464,790	33,886	-	-
Total deferred inflows of resources . . . . .	<u>464,790</u>	<u>33,886</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Nonspendable . . . . .	-	-	-	-
Restricted . . . . .	760,633	342,816	84	-
Committed . . . . .	-	-	-	17,177
Total fund balances. . . . .	<u>760,633</u>	<u>342,816</u>	<u>84</u>	<u>17,177</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 1,245,239</u>	<u>\$ 411,396</u>	<u>\$ 84</u>	<u>\$ 17,177</u>

<u>DWI Law Enforcement</u>	<u>Drug Fines Enforcement &amp; Education</u>	<u>Safety Town</u>	<u>Recreation</u>	<u>Hotel/Motel</u>	<u>Varsity Field Improvement</u>	<u>Totals</u>
\$ 14,202	\$ 6,684	\$ 20,708	\$ 342,051	\$ -	\$ 10	\$ 3,002,214
-	-	-	-	5,820	-	881,448
-	-	-	4,211	-	-	4,735
-	-	-	-	-	-	126
-	-	-	-	-	-	3,174
-	-	-	-	-	-	307,646
16	-	-	346	-	-	653,710
-	-	-	19,261	-	-	41,201
<u>\$ 14,218</u>	<u>\$ 6,684</u>	<u>\$ 20,708</u>	<u>\$ 365,869</u>	<u>\$ 5,820</u>	<u>\$ 10</u>	<u>\$ 4,894,254</u>
\$ -	\$ -	\$ -	\$ 14,009	\$ 5,820	\$ -	\$ 31,670
-	-	-	-	-	-	81,735
-	-	-	-	-	-	13,829
-	-	-	18,233	-	-	18,233
-	-	-	10,533	-	-	10,533
-	-	-	42,775	5,820	-	156,000
-	-	-	-	-	-	843,259
-	-	-	-	-	-	32,369
-	-	-	-	-	-	3,174
-	-	-	-	-	-	543,352
-	-	-	-	-	-	1,422,154
-	-	-	19,261	-	-	41,201
14,218	6,684	20,708	-	-	-	2,920,807
-	-	-	303,833	-	10	354,092
<u>14,218</u>	<u>6,684</u>	<u>20,708</u>	<u>323,094</u>	<u>-</u>	<u>10</u>	<u>3,316,100</u>
<u>\$ 14,218</u>	<u>\$ 6,684</u>	<u>\$ 20,708</u>	<u>\$ 365,869</u>	<u>\$ 5,820</u>	<u>\$ 10</u>	<u>\$ 4,894,254</u>

**CITY OF AURORA, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Special Assesment</u>	<u>Capital FEMA Grant</u>	<u>CHIP</u>	<u>Police Wireless 911</u>
<b>Revenues:</b>				
Real and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Other local taxes . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other revenue . . . . .	-	-	3,168	-
Total revenues . . . . .	<u>-</u>	<u>-</u>	<u>3,168</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
General government. . . . .	-	-	-	-
Security of persons and property . . . . .	-	-	-	9,078
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	-	86,362	-
Leisure time activity. . . . .	-	-	-	-
Capital outlay . . . . .	-	8,122	-	15,977
Debt service:				
Principal retirement. . . . .	-	-	-	-
Total expenditures. . . . .	<u>-</u>	<u>8,122</u>	<u>86,362</u>	<u>25,055</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>-</u>	<u>(8,122)</u>	<u>(83,194)</u>	<u>(25,055)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	-	-	-	-
Total other financing sources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances. . . . .	-	(8,122)	(83,194)	(25,055)
<b>Fund balances at beginning of year . . . . .</b>	<u>50,944</u>	<u>8,122</u>	<u>602,494</u>	<u>56,898</u>
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 50,944</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 519,300</u></u>	<u><u>\$ 31,843</u></u>

<u>Streetscape Abatement</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>
\$ -	\$ -	\$ -	\$ -	\$ 482,500	\$ 104,418	\$ 150,807
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	60,577	10,862	15,687
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,805	-	-	-
-	-	-	2,805	543,077	115,280	166,494
-	-	-	-	7,937	1,675	2,419
-	1,700	-	-	-	100,000	-
-	-	-	-	16,600	-	-
-	-	-	-	-	-	-
-	-	-	3,999	-	-	-
-	-	-	-	502,612	-	-
-	-	-	-	32,838	-	-
-	1,700	-	3,999	559,987	101,675	2,419
-	(1,700)	-	(1,194)	(16,910)	13,605	164,075
-	-	-	-	280,000	-	-
-	-	-	-	280,000	-	-
-	(1,700)	-	(1,194)	263,090	13,605	164,075
27,200	23,493	198	6,868	83,366	147,566	502,022
<u>\$ 27,200</u>	<u>\$ 21,793</u>	<u>\$ 198</u>	<u>\$ 5,674</u>	<u>\$ 346,456</u>	<u>\$ 161,171</u>	<u>\$ 666,097</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, 2019

	<b>Street Construction Maintenance &amp; Repair</b>	<b>Street Highway Improvement</b>	<b>Police D.A.R.E.</b>	<b>Sunny Lake Oil Royalties</b>
<b>Revenues:</b>				
Real and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Other local taxes . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	972,307	67,306	-	-
Investment income . . . . .	25,897	11,063	-	-
Contributions and donations . . . . .	-	-	-	-
Other revenue . . . . .	-	-	-	6,439
Total revenues . . . . .	<u>998,204</u>	<u>78,369</u>	<u>-</u>	<u>6,439</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	-
Security of persons and property . . . . .	-	-	-	-
Transportation . . . . .	283,788	45,215	-	-
Community environment . . . . .	-	-	-	-
Leisure time activity . . . . .	-	-	-	-
Capital outlay . . . . .	790,122	34,910	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Total expenditures . . . . .	<u>1,073,910</u>	<u>80,125</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(75,706)</u>	<u>(1,756)</u>	<u>-</u>	<u>6,439</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	-
Total other financing sources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(75,706)	(1,756)	-	6,439
<b>Fund balances at beginning of year . . . . .</b>	<u>836,339</u>	<u>344,572</u>	<u>84</u>	<u>10,738</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 760,633</u>	<u>\$ 342,816</u>	<u>\$ 84</u>	<u>\$ 17,177</u>

<u>DWI Law Enforcement</u>	<u>Drug Fines Enforcement &amp; Education</u>	<u>Safety Town</u>	<u>Recreation</u>	<u>Hotel/Motel</u>	<u>Varsity Field Improvement</u>	<u>Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 737,725
-	-	-	-	38,384	-	38,384
-	-	500	420,720	-	-	421,220
278	5,740	-	-	-	-	6,018
-	-	-	3,500	-	-	1,130,239
-	19	-	-	-	-	36,979
-	-	3,000	-	-	-	3,000
-	-	-	3,478	-	-	15,890
<u>278</u>	<u>5,759</u>	<u>3,500</u>	<u>427,698</u>	<u>38,384</u>	<u>-</u>	<u>2,389,455</u>
-	-	-	-	38,384	-	50,415
639	-	5,785	-	-	-	117,202
-	-	-	-	-	-	345,603
-	-	-	-	-	-	86,362
-	-	-	1,823,324	-	-	1,827,323
-	-	-	-	-	-	1,351,743
-	-	-	-	-	-	32,838
<u>639</u>	<u>-</u>	<u>5,785</u>	<u>1,823,324</u>	<u>38,384</u>	<u>-</u>	<u>3,811,486</u>
<u>(361)</u>	<u>5,759</u>	<u>(2,285)</u>	<u>(1,395,626)</u>	<u>-</u>	<u>-</u>	<u>(1,422,031)</u>
-	-	-	1,580,000	-	-	1,860,000
-	-	-	1,580,000	-	-	1,860,000
(361)	5,759	(2,285)	184,374	-	-	437,969
<u>14,579</u>	<u>925</u>	<u>22,993</u>	<u>138,720</u>	<u>-</u>	<u>10</u>	<u>2,878,131</u>
<u>\$ 14,218</u>	<u>\$ 6,684</u>	<u>\$ 20,708</u>	<u>\$ 323,094</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 3,316,100</u>

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**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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Special Assessment</b>				
Fund balance at beginning of year . . . . .	\$ 50,944	\$ 50,944	\$ 50,944	\$ -
Fund balance at end of year . . . . .	\$ 50,944	\$ 50,944	\$ 50,944	\$ -
<b>Capital FEMA Grant</b>				
Total expenditures and other uses. . . . .	\$ 8,122	\$ 8,122	\$ 8,122	\$ -
Net change in fund balances . . . . .	(8,122)	(8,122)	(8,122)	-
Fund balance at beginning of year. . . . .	8,122	8,122	8,122	-
Fund balance at end of year . . . . .	\$ -	\$ -	\$ -	\$ -
<b>CHIP</b>				
Total revenues and other sources . . . . .	\$ -	\$ -	\$ 50,248	\$ 50,248
Total expenditures and other uses. . . . .	-	5,000	3,683	1,317
Net change in fund balances . . . . .	-	(5,000)	46,565	51,565
Fund balance at beginning of year. . . . .	166,155	166,155	166,155	-
Fund balance at end of year . . . . .	\$ 166,155	\$ 161,155	\$ 212,720	\$ 51,565
<b>Police Wireless 911</b>				
Total expenditures and other uses. . . . .	\$ 25,879	\$ 25,879	\$ 15,977	\$ 9,902
Net change in fund balances . . . . .	(25,879)	(25,879)	(15,977)	9,902
Fund balance at beginning of year. . . . .	25,880	25,880	25,880	-
Fund balance at end of year . . . . .	\$ 1	\$ 1	\$ 9,903	\$ 9,902
<b>Streetscape Abatement</b>				
Fund balance at beginning of year. . . . .	\$ 27,200	\$ 27,200	\$ 27,200	\$ -
Fund balance at end of year . . . . .	\$ 27,200	\$ 27,200	\$ 27,200	\$ -

**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, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Ohio Police Officer Training</b>				
Total expenditures and other uses. . . . .	\$ 6,000	\$ 6,000	\$ 1,700	\$ 4,300
Net change in fund balances . . . . .	(6,000)	(6,000)	(1,700)	4,300
Fund balance at beginning of year. . . . .	23,493	23,493	23,493	-
Fund balance at end of year . . . . .	<u>\$ 17,493</u>	<u>\$ 17,493</u>	<u>\$ 21,793</u>	<u>\$ 4,300</u>
<b>Parks and Lake</b>				
Fund balance at beginning of year. . . . .	\$ 198	\$ 198	\$ 198	\$ -
Fund balance at end of year . . . . .	<u>\$ 198</u>	<u>\$ 198</u>	<u>\$ 198</u>	<u>\$ -</u>
<b>Parks and Recreation Sponsorship</b>				
Total revenues and other sources . . . . .	\$ 4,500	\$ 4,500	\$ 2,805	\$ (1,695)
Total expenditures and other uses. . . . .	6,000	6,000	3,999	2,001
Net change in fund balances . . . . .	(1,500)	(1,500)	(1,194)	306
Fund balance at beginning of year. . . . .	6,868	6,868	6,868	-
Fund balance at end of year . . . . .	<u>\$ 5,368</u>	<u>\$ 5,368</u>	<u>\$ 5,674</u>	<u>\$ 306</u>
<b>Road and Bridge Levy</b>				
Total revenues and other sources . . . . .	\$ 544,050	\$ 544,050	\$ 823,077	\$ 279,027
Total expenditures and other uses. . . . .	566,540	586,540	576,642	9,898
Net change in fund balances . . . . .	(22,490)	(42,490)	246,435	288,925
Fund balance at beginning of year. . . . .	93,336	93,336	93,336	-
Fund balance at end of year . . . . .	<u>\$ 70,846</u>	<u>\$ 50,846</u>	<u>\$ 339,771</u>	<u>\$ 288,925</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Police Levy</b>				
Total revenues and other sources . . . . .	\$ 115,530	\$ 115,530	\$ 115,280	\$ (250)
Total expenditures and other uses. . . . .	102,100	102,100	101,675	425
Net change in fund balances . . . . .	13,430	13,430	13,605	175
Fund balance at beginning of year. . . . .	147,566	147,566	147,566	-
Fund balance at end of year . . . . .	<u>\$ 160,996</u>	<u>\$ 160,996</u>	<u>\$ 161,171</u>	<u>\$ 175</u>
<b>Fire Levy</b>				
Total revenues and other sources . . . . .	\$ 166,877	\$ 166,877	\$ 166,494	\$ (383)
Total expenditures and other uses. . . . .	3,100	3,100	2,419	681
Net change in fund balances . . . . .	163,777	163,777	164,075	298
Fund balance at beginning of year. . . . .	502,022	502,022	502,022	-
Fund balance at end of year . . . . .	<u>\$ 665,799</u>	<u>\$ 665,799</u>	<u>\$ 666,097</u>	<u>\$ 298</u>
<b>Street Construction, Maintenance &amp; Repair</b>				
Total revenues and other sources . . . . .	\$ 805,000	\$ 805,000	\$ 963,385	\$ 158,385
Total expenditures and other uses. . . . .	1,565,166	1,600,215	1,581,288	18,927
Net change in fund balances . . . . .	(760,166)	(795,215)	(617,903)	177,312
Fund balance at beginning of year. . . . .	566,134	566,134	566,134	-
Prior year encumbrances appropriated. . . . .	366,346	366,346	366,346	-
Fund balance at end of year . . . . .	<u>\$ 172,314</u>	<u>\$ 137,265</u>	<u>\$ 314,577</u>	<u>\$ 177,312</u>
<b>State Highway Improvement</b>				
Total revenues and other sources . . . . .	\$ 55,750	\$ 55,750	\$ 72,037	\$ 16,287
Total expenditures and other uses. . . . .	164,900	189,656	129,494	60,162
Net change in fund balances . . . . .	(109,150)	(133,906)	(57,457)	76,449
Fund balance at beginning of year. . . . .	339,230	339,230	339,230	-
Prior year encumbrances appropriated. . . . .	1,900	1,900	1,900	-
Fund balance at end of year . . . . .	<u>\$ 231,980</u>	<u>\$ 207,224</u>	<u>\$ 283,673</u>	<u>\$ 76,449</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Police D.A.R.E.</b>				
Total expenditures and other uses . . . . .	\$ 84	\$ 84	\$ -	\$ 84
Net change in fund balances . . . . .	(84)	(84)	-	84
Fund balance at beginning of year . . . . .	84	84	84	-
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84</u>	<u>\$ 84</u>
<b>Sunny Lake Oil Royalties</b>				
Total revenues and other sources . . . . .	\$ 4,500	\$ 4,500	\$ 6,841	\$ 2,341
Total expenditures and other uses . . . . .	4,000	4,000	4,000	-
Net change in fund balances . . . . .	500	500	2,841	2,341
Fund balance at beginning of year . . . . .	9,812	9,812	9,812	-
Fund balance at end of year . . . . .	<u>\$ 10,312</u>	<u>\$ 10,312</u>	<u>\$ 12,653</u>	<u>\$ 2,341</u>
<b>DWI Law Enforcement</b>				
Total revenues and other sources . . . . .	\$ 750	\$ 750	\$ 297	\$ (453)
Total expenditures and other uses . . . . .	2,500	2,500	639	1,861
Net change in fund balances . . . . .	(1,750)	(1,750)	(342)	1,408
Fund balance at beginning of year . . . . .	14,544	14,544	14,544	-
Fund balance at end of year . . . . .	<u>\$ 12,794</u>	<u>\$ 12,794</u>	<u>\$ 14,202</u>	<u>\$ 1,408</u>
<b>Drug Fines Enforcement &amp; Education</b>				
Total revenues and other sources . . . . .	\$ 500	\$ 500	\$ 5,756	\$ 5,256
Total expenditures and other uses . . . . .	925	925	-	925
Net change in fund balances . . . . .	(425)	(425)	5,756	6,181
Fund balance at beginning of year . . . . .	925	925	925	-
Fund balance at end of year . . . . .	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 6,681</u>	<u>\$ 6,181</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Safety Town</b>				
Total revenues and other sources . . . . .	\$ 6,300	\$ 6,300	\$ 3,500	\$ (2,800)
Total expenditures and other uses. . . . .	15,000	15,000	5,785	9,215
Net change in fund balances . . . . .	(8,700)	(8,700)	(2,285)	6,415
Fund balance at beginning of year. . . . .	22,993	22,993	22,993	-
Fund balance at end of year . . . . .	<u>\$ 14,293</u>	<u>\$ 14,293</u>	<u>\$ 20,708</u>	<u>\$ 6,415</u>
<b>Recreation</b>				
Total revenues and other sources . . . . .	\$ 1,980,500	\$ 1,980,500	\$ 2,016,322	\$ 35,822
Total expenditures and other uses. . . . .	2,077,501	2,077,501	1,864,602	212,899
Net change in fund balances . . . . .	(97,001)	(97,001)	151,720	248,721
Fund balance at beginning of year. . . . .	143,823	143,823	143,823	-
Prior year encumbrances appropriated. . . . .	20,894	20,894	20,894	-
Fund balance at end of year . . . . .	<u>\$ 67,716</u>	<u>\$ 67,716</u>	<u>\$ 316,437</u>	<u>\$ 248,721</u>
<b>Hotel/Motel</b>				
Total revenues and other sources . . . . .	\$ 60,000	\$ 60,000	\$ 37,663	\$ (22,337)
Total expenditures and other uses. . . . .	60,000	60,000	37,663	22,337
Net change in fund balances . . . . .	-	-	-	-
Fund balance at beginning of year. . . . .	-	-	-	-
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Varsity Field Improvement</b>				
Total expenditures and other uses. . . . .	\$ 10	\$ 10	\$ -	\$ 10
Net change in fund balances . . . . .	(10)	(10)	-	10
Fund balance at beginning of year. . . . .	10	10	10	-
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Medical Reserve</b>				
Fund balance at beginning of year . . . . .	\$ 750,000	\$ 750,000	\$ 750,000	\$ -
Fund balance at end of year . . . . .	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ -</u>
<b>Unclaimed Monies</b>				
Total revenues and other sources . . . . .	\$ 3,000	\$ 3,000	\$ 3,052	\$ 52
Total expenditures and other uses . . . . .	<u>3,693</u>	<u>3,693</u>	<u>1,376</u>	<u>2,317</u>
Net change in fund balances . . . . .	(693)	(693)	1,676	2,369
Fund balance at beginning of year . . . . .	<u>44,474</u>	<u>44,474</u>	<u>44,474</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 43,781</u>	<u>\$ 43,781</u>	<u>\$ 46,150</u>	<u>\$ 2,369</u>
<b>Developer's Escrow</b>				
Total revenues and other sources . . . . .	\$ 230,000	\$ 230,000	\$ 203,321	\$ (26,679)
Total expenditures and other uses . . . . .	<u>209,940</u>	<u>209,940</u>	<u>186,607</u>	<u>23,333</u>
Net change in fund balances . . . . .	20,060	20,060	16,714	(3,346)
Fund balance at beginning of year . . . . .	15,535	15,535	15,535	-
Prior year encumbrances appropriated . . . . .	<u>7,940</u>	<u>7,940</u>	<u>7,940</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 43,535</u>	<u>\$ 43,535</u>	<u>\$ 40,189</u>	<u>\$ (3,346)</u>
<b>Performance Deposits</b>				
Total revenues and other sources . . . . .	\$ 1,160,000	\$ 1,160,000	\$ 949,622	\$ (210,378)
Total expenditures and other uses . . . . .	<u>1,478,600</u>	<u>2,218,600</u>	<u>1,805,466</u>	<u>413,134</u>
Net change in fund balances . . . . .	(318,600)	(1,058,600)	(855,844)	202,756
Fund balance at beginning of year . . . . .	<u>1,886,455</u>	<u>1,886,455</u>	<u>1,886,455</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 1,567,855</u>	<u>\$ 827,855</u>	<u>\$ 1,030,611</u>	<u>\$ 202,756</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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Bond Retirement</b>				
Total revenues and other sources . . . . .	\$ 390,504	\$ 390,504	\$ 389,840	\$ (664)
Total expenditures and other uses. . . . .	<u>399,913</u>	<u>399,913</u>	<u>395,609</u>	<u>4,304</u>
Net change in fund balances . . . . .	(9,409)	(9,409)	(5,769)	3,640
Fund balance at beginning of year. . . . .	<u>510,921</u>	<u>510,921</u>	<u>510,921</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 501,512</u>	<u>\$ 501,512</u>	<u>\$ 505,152</u>	<u>\$ 3,640</u>

**CITY OF AURORA, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2019

	<u>City Operations</u>	<u>Buildings and Grounds</u>	<u>Capital Improvement Public Space</u>
<b>Assets:</b>			
Equity in pooled cash, cash equivalents and investments . . . . .	\$ 904,718	\$ 4,230	\$ 188,821
Total assets . . . . .	<u>\$ 904,718</u>	<u>\$ 4,230</u>	<u>\$ 188,821</u>
<b>Liabilities:</b>			
Contracts payable . . . . .	\$ -	\$ -	\$ -
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>			
Restricted . . . . .	-	-	-
Committed . . . . .	-	-	188,821
Assigned . . . . .	904,718	4,230	-
Total fund balances . . . . .	<u>904,718</u>	<u>4,230</u>	<u>188,821</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 904,718</u>	<u>\$ 4,230</u>	<u>\$ 188,821</u>



<u>Emergency Capital</u>	<u>Road Programs</u>	<u>Aurora Lake Road Capital</u>	<u>Totals</u>
\$ 1,700,000	\$ 618,323	\$ 16,500	\$ 3,432,592
<u>\$ 1,700,000</u>	<u>\$ 618,323</u>	<u>\$ 16,500</u>	<u>\$ 3,432,592</u>
\$ -	\$ 312,148	\$ -	\$ 312,148
<u>-</u>	<u>312,148</u>	<u>-</u>	<u>312,148</u>
-	306,175	-	306,175
-	-	16,500	205,321
<u>1,700,000</u>	<u>-</u>	<u>-</u>	<u>2,608,948</u>
<u>1,700,000</u>	<u>306,175</u>	<u>16,500</u>	<u>3,120,444</u>
<u>\$ 1,700,000</u>	<u>\$ 618,323</u>	<u>\$ 16,500</u>	<u>\$ 3,432,592</u>

**CITY OF AURORA, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>City Operations</u>	<u>Buildings and Grounds</u>	<u>Capital Improvement Public Space</u>
<b>Revenues:</b>			
Other revenue . . . . .	\$ -	\$ -	\$ 105,946
Total revenues . . . . .	<u>-</u>	<u>-</u>	<u>105,946</u>
<b>Expenditures:</b>			
Capital outlay . . . . .	<u>65,495</u>	<u>26,489</u>	<u>125,194</u>
Total expenditures. . . . .	<u>65,495</u>	<u>26,489</u>	<u>125,194</u>
Excess of expenditures over revenues. . . . .	<u>(65,495)</u>	<u>(26,489)</u>	<u>(19,248)</u>
<b>Other financing sources:</b>			
Transfers in. . . . .	<u>-</u>	<u>-</u>	<u>10,000</u>
Total other financing sources . . . . .	<u>-</u>	<u>-</u>	<u>10,000</u>
Net change in fund balances. . . . .	(65,495)	(26,489)	(9,248)
<b>Fund balances at beginning of year . . . . .</b>	<u>970,213</u>	<u>30,719</u>	<u>198,069</u>
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 904,718</u></u>	<u><u>\$ 4,230</u></u>	<u><u>\$ 188,821</u></u>

<b>Emergency Capital</b>	<b>Road Programs</b>	<b>Aurora Lake Road Capital</b>	<b>Totals</b>
\$ -	\$ -	\$ 16,500	\$ 122,446
-	-	16,500	122,446
-	506,735	61,000	784,913
-	506,735	61,000	784,913
-	(506,735)	(44,500)	(662,467)
-	-	-	10,000
-	-	-	10,000
-	(506,735)	(44,500)	(652,467)
1,700,000	812,910	61,000	3,772,911
<u>\$ 1,700,000</u>	<u>\$ 306,175</u>	<u>\$ 16,500</u>	<u>\$ 3,120,444</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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>City Operations</b>				
Total expenditures and other uses. . . . .	\$ 104,141	\$ 104,141	\$ 68,923	\$ 35,218
Net change in fund balances . . . . .	(104,141)	(104,141)	(68,923)	35,218
Fund balance at beginning of year. . . . .	926,343	926,343	926,343	-
Prior year encumbrances appropriated. . . . .	44,141	44,141	44,141	-
Fund balance at end of year . . . . .	<u>\$ 866,343</u>	<u>\$ 866,343</u>	<u>\$ 901,561</u>	<u>\$ 35,218</u>
<b>Building and Grounds</b>				
Total expenditures and other uses. . . . .	\$ 30,000	\$ 30,000	\$ 26,489	\$ 3,511
Net change in fund balances . . . . .	(30,000)	(30,000)	(26,489)	3,511
Fund balance at beginning of year. . . . .	30,719	30,719	30,719	-
Fund balance at end of year . . . . .	<u>\$ 719</u>	<u>\$ 719</u>	<u>\$ 4,230</u>	<u>\$ 3,511</u>
<b>Capital Improvement Public Space</b>				
Total revenues and other sources . . . . .	\$ 42,000	\$ 42,000	\$ 115,946	\$ 73,946
Total expenditures and other uses. . . . .	167,190	180,252	180,166	86
Net change in fund balances . . . . .	(125,190)	(138,252)	(64,220)	74,032
Fund balance at beginning of year. . . . .	151,379	151,379	151,379	-
Prior year encumbrances appropriated. . . . .	46,690	46,690	46,690	-
Fund balance at end of year . . . . .	<u>\$ 72,879</u>	<u>\$ 59,817</u>	<u>\$ 133,849</u>	<u>\$ 74,032</u>
<b>Emergency Capital</b>				
Fund balance at beginning of year. . . . .	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ -
Fund balance at end of year . . . . .	<u>\$ 1,700,000</u>	<u>\$ 1,700,000</u>	<u>\$ 1,700,000</u>	<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 - (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Road Programs</b>				
Total revenues and other sources . . . . .	\$ 200,000	\$ 200,000	\$ 98,354	\$ (101,646)
Total expenditures and other uses. . . . .	841,644	841,644	598,094	243,550
Net change in fund balances . . . . .	(641,644)	(641,644)	(499,740)	141,904
Fund balance at beginning of year. . . . .	422,912	422,912	422,912	-
Prior year encumbrances appropriated. . . . .	291,644	291,644	291,644	-
Fund balance at end of year . . . . .	<u>\$ 72,912</u>	<u>\$ 72,912</u>	<u>\$ 214,816</u>	<u>\$ 141,904</u>
<b>Aurora Lake Road Capital</b>				
Total revenues and other sources . . . . .	\$ 23,500	\$ 23,500	\$ 16,500	\$ (7,000)
Total expenditures and other uses. . . . .	20,000	61,000	61,000	-
Net change in fund balances . . . . .	3,500	(37,500)	(44,500)	(7,000)
Fund balance at beginning of year. . . . .	61,000	61,000	61,000	-
Fund balance at end of year . . . . .	<u>\$ 64,500</u>	<u>\$ 23,500</u>	<u>\$ 16,500</u>	<u>\$ (7,000)</u>

**CITY OF AURORA, OHIO**

**INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - ENTERPRISE FUNDS**

**MAJOR 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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Water</b>				
Total revenues and other sources . . . . .	\$ 3,520,630	\$ 3,520,630	\$ 3,785,458	\$ 264,828
Total expenses and other uses. . . . .	3,814,509	3,842,584	3,398,934	443,650
Net change in fund equity . . . . .	(293,879)	(321,954)	386,524	708,478
Fund equity at beginning of year . . . . .	4,252,498	4,252,498	4,252,498	-
Prior year encumbrances appropriated. . . . .	458,769	458,769	458,769	-
Fund equity at end of year . . . . .	<u>\$ 4,417,388</u>	<u>\$ 4,389,313</u>	<u>\$ 5,097,791</u>	<u>\$ 708,478</u>
<b>Sewer</b>				
Total revenues and other sources . . . . .	\$ 2,896,400	\$ 2,896,400	\$ 3,374,033	\$ 477,633
Total expenses and other uses. . . . .	3,847,920	3,887,920	3,402,545	485,375
Net change in fund equity . . . . .	(951,520)	(991,520)	(28,512)	963,008
Fund equity at beginning of year . . . . .	7,486,995	7,486,995	7,486,995	-
Prior year encumbrances appropriated. . . . .	190,174	190,174	190,174	-
Fund equity at end of year . . . . .	<u>\$ 6,725,649</u>	<u>\$ 6,685,649</u>	<u>\$ 7,648,657</u>	<u>\$ 963,008</u>
<b>Cemetery/Perpetual Care</b>				
Total revenues and other sources . . . . .	\$ 31,000	\$ 31,000	\$ 46,138	\$ 15,138
Total expenses and other uses. . . . .	163,932	163,932	113,218	50,714
Net change in fund equity . . . . .	(132,932)	(132,932)	(67,080)	65,852
Fund equity at beginning of year . . . . .	237,878	237,878	237,878	-
Prior year encumbrances appropriated. . . . .	3,750	3,750	3,750	-
Fund equity at end of year . . . . .	<u>\$ 108,696</u>	<u>\$ 108,696</u>	<u>\$ 174,548</u>	<u>\$ 65,852</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.

***None for Under 21***

This fund accounts for donations/grants and associated expenditures related to the City Police Department's "None for Under 21"

***State Building Fees***

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



**CITY OF AURORA, OHIO**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
DECEMBER 31, 2019

	<u>None for Under 21</u>	<u>State Building Fees</u>	<u>Total Custodial Funds</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 19,828	\$ 450	\$ 20,278
Receivables (net of allowances for uncollectibles):			
Accounts. . . . .	-	33	33
Total assets. . . . .	<u>\$ 19,828</u>	<u>\$ 483</u>	<u>\$ 20,311</u>
<b>Liabilities:</b>			
Due to other governments. . . . .		483	483
Total liabilities. . . . .	<u>-</u>	<u>483</u>	<u>483</u>
<b>Net Position:</b>			
Restricted for organizations and other governments. . . . .	<u>19,828</u>	<u>-</u>	<u>19,828</u>
Total net position. . . . .	<u>\$ 19,828</u>	<u>\$ -</u>	<u>\$ 19,828</u>

**CITY OF AURORA, OHIO**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>None for Under 21</u>	<u>State Building Fees</u>	<u>Total Custodial Funds</u>
<b>Additions:</b>			
Licenses, permits and fees for other governments . . . . .	\$ -	\$ 4,264	\$ 4,264
Other custodial fund collections. . . . .	23,650	-	23,650
Total additions. . . . .	<u>23,650</u>	<u>4,264</u>	<u>27,914</u>
<b>Deductions:</b>			
Licenses, permits and fees distributions to other governments. . . . .	-	4,264	4,264
Other custodial fund disbursements. . . . .	16,777	-	16,777
Total deductions. . . . .	<u>16,777</u>	<u>4,264</u>	<u>21,041</u>
Net change in fiduciary net position. . . . .	6,873	-	6,873
<b>Net position at beginning of year (restated). . . . .</b>	<u>12,955</u>	<u>-</u>	<u>12,955</u>
<b>Net position at end of year. . . . .</b>	<u>\$ 19,828</u>	<u>\$ -</u>	<u>\$ 19,828</u>

# STATISTICAL SECTION

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**CITY OF AURORA, OHIO**

**STATISTICAL SECTION**

This part of the City of Aurora's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>144</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	<b>154</b>
<b>Debt Capacity</b> 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.	<b>162</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>167</b>
<b>Operating Information</b> 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.	<b>169</b>

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

TABLE 1

**CITY OF AURORA, OHIO**  
**NET POSITION BY COMPONENT**  
**LAST TEN YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<b>Year Ended</b>			
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 58,489,836	\$ 62,199,398	\$ 64,225,731	\$ 74,683,557
Restricted	4,013,994	4,594,761	4,428,062	4,846,845
Unrestricted (deficit)	11,767,042	13,009,897	14,405,828	15,700,229
Total governmental activities net position	<u>\$ 74,270,872</u>	<u>\$ 79,804,056</u>	<u>\$ 83,059,621</u>	<u>\$ 95,230,631</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 34,227,530	\$ 35,328,800	\$ 35,593,721	\$ 35,181,286
Unrestricted	3,672,675	4,224,993	4,403,287	6,302,054
Total business-type activities net position	<u>\$ 37,900,205</u>	<u>\$ 39,553,793</u>	<u>\$ 39,997,008</u>	<u>\$ 41,483,340</u>
<b>Primary government</b>				
Net investment in capital assets	\$ 92,717,366	\$ 97,528,198	\$ 99,819,452	\$ 109,864,843
Restricted	4,013,994	4,594,761	4,428,062	4,846,845
Unrestricted	15,439,717	17,234,890	18,809,115	22,002,283
Total primary government net position	<u>\$ 112,171,077</u>	<u>\$ 119,357,849</u>	<u>\$ 123,056,629</u>	<u>\$ 136,713,971</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.

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

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017 (A)</b>	<b>2018 (B)</b>	<b>2019</b>
\$ 74,658,145	\$ 78,097,929	\$ 80,164,977	\$ 81,734,777	\$ 88,152,576	\$ 89,432,929
5,472,203	4,979,136	4,536,231	4,729,983	4,457,516	4,776,141
6,734,788	8,447,381	7,418,688	(5,366,922)	(8,286,873)	(909,638)
<u>\$ 86,865,136</u>	<u>\$ 91,524,446</u>	<u>\$ 92,119,896</u>	<u>\$ 81,097,838</u>	<u>\$ 84,323,219</u>	<u>\$ 93,299,432</u>
\$ 35,302,242	\$ 35,906,707	\$ 37,741,929	\$ 37,881,085	\$ 40,567,695	\$ 41,328,410
7,052,702	8,562,026	9,788,136	11,066,751	12,156,752	13,208,664
<u>\$ 42,354,944</u>	<u>\$ 44,468,733</u>	<u>\$ 47,530,065</u>	<u>\$ 48,947,836</u>	<u>\$ 52,724,447</u>	<u>\$ 54,537,074</u>
\$ 109,960,387	\$ 114,004,636	\$ 117,906,906	\$ 119,615,862	\$ 128,720,271	\$ 130,761,339
5,472,203	4,979,136	4,536,231	4,729,983	4,457,516	4,776,141
13,787,490	17,009,407	17,206,824	5,699,829	3,869,879	12,299,026
<u>\$ 129,220,080</u>	<u>\$ 135,993,179</u>	<u>\$ 139,649,961</u>	<u>\$ 130,045,674</u>	<u>\$ 137,047,666</u>	<u>\$ 147,836,506</u>

TABLE 2

**CITY OF AURORA, OHIO**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<b>Year Ended</b>			
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Expenses</b>				
Governmental activities:				
General government	\$ 2,502,464	\$ 2,680,164	\$ 2,240,378	\$ 3,086,636
Security of persons and property	7,446,348	7,460,765	7,938,796	8,644,447
Transportation	3,235,554	3,148,354	3,544,840	3,929,250
Community environment	949,182	852,540	1,002,954	915,505
Leisure time activity	1,522,867	1,434,279	1,567,671	1,589,667
Interest and fiscal charges	457,226	434,172	261,813	257,702
Bond issuance costs	-	-	109,170	-
Other	1,913	1,012	-	1,652
Total governmental activities expenses	<u>16,115,554</u>	<u>16,011,286</u>	<u>16,665,622</u>	<u>18,424,859</u>
Business-type activities:				
Water	2,463,790	2,244,122	3,009,763	2,206,759
Sewer	2,498,550	2,396,267	2,365,468	2,382,279
Other business-type activities:				
Cemetery/Perpetual Care	48,441	44,584	53,533	52,458
Total business-type activities expenses	<u>5,010,781</u>	<u>4,684,973</u>	<u>5,428,764</u>	<u>4,641,496</u>
Total primary government expenses	<u>\$ 21,126,335</u>	<u>\$ 20,696,259</u>	<u>\$ 22,094,386</u>	<u>\$ 23,066,355</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 349,979	\$ 352,293	\$ 453,902	\$ 456,732
Security of persons and property	14,844	2,374	4,098	5,882
Leisure time activity	364,356	342,820	362,167	358,078
Operating grants and contributions	1,146,088	999,928	1,052,360	1,580,261
Capital grants and contributions	2,901,004	3,905,558	1,115,992	10,478,548
Total governmental program revenues	<u>4,776,271</u>	<u>5,602,973</u>	<u>2,988,519</u>	<u>12,879,501</u>
Business-type activities:				
Charges for services:				
Water	2,793,645	2,690,748	3,058,872	3,425,539
Sewer	2,368,405	2,469,981	2,596,162	2,646,138
Other business-type activities:				
Cemetery/Perpetual Care	36,262	51,897	30,732	34,863
Capital grants and contributions	604,564	949,957	-	421,735
Total business-type activities program revenues	<u>5,802,876</u>	<u>6,162,583</u>	<u>5,685,766</u>	<u>6,528,275</u>
Total primary government program revenue	<u>\$ 10,579,147</u>	<u>\$ 11,765,556</u>	<u>\$ 8,674,285</u>	<u>\$ 19,407,776</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (11,339,283)	\$ (10,408,313)	\$ (13,677,103)	\$ (5,545,358)
Business-type activities	792,095	1,477,610	257,002	1,886,779
Total primary government net expense	<u>\$ (10,547,188)</u>	<u>\$ (8,930,703)</u>	<u>\$ (13,420,101)</u>	<u>\$ (3,658,579)</u>



	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 (A)</b>	<b>2019</b>
\$	2,371,196	\$ 2,706,786	\$ 2,657,947	\$ 2,736,078	\$ 2,819,139	\$ 3,171,527
	8,474,819	8,632,937	9,864,845	10,164,447	11,203,057	2,807,343
	4,072,036	3,962,405	4,118,347	4,186,650	4,631,431	4,970,118
	1,069,800	974,352	1,181,110	1,340,450	1,426,245	1,737,072
	1,741,009	1,787,477	1,969,060	2,219,869	2,224,217	2,373,722
	239,687	209,037	176,749	144,545	110,939	87,619
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>17,968,547</u>	<u>18,272,994</u>	<u>19,968,058</u>	<u>20,792,039</u>	<u>22,415,028</u>	<u>15,147,401</u>
	2,795,638	2,810,855	2,766,987	2,962,467	3,414,361	3,444,736
	2,405,115	2,436,231	2,424,962	2,643,022	2,384,780	2,747,753
	43,587	50,005	56,005	61,367	81,165	78,183
	<u>5,244,340</u>	<u>5,297,091</u>	<u>5,247,954</u>	<u>5,666,856</u>	<u>5,880,306</u>	<u>6,270,672</u>
\$	<u>23,212,887</u>	<u>23,570,085</u>	<u>25,216,012</u>	<u>26,458,895</u>	<u>28,295,334</u>	<u>21,418,073</u>
\$	632,187	\$ 510,219	\$ 537,682	\$ 721,705	\$ 827,792	\$ 824,806
	2,633	5,591	1,033	3,774	660	6,518
	390,341	437,054	444,455	430,752	410,070	420,720
	1,173,357	1,057,130	963,527	1,030,439	947,282	1,239,295
	687,241	2,040,734	1,394,575	52,401	3,644,367	74,342
	<u>2,885,759</u>	<u>4,050,728</u>	<u>3,341,272</u>	<u>2,239,071</u>	<u>5,830,171</u>	<u>2,565,681</u>
	3,405,764	3,567,774	3,818,801	3,800,270	3,953,182	3,847,638
	2,715,500	2,672,769	3,072,076	2,899,980	3,138,740	2,883,216
	37,241	41,509	40,621	46,898	42,357	36,420
	340,400	737,059	-	-	1,985,945	714,650
	<u>6,498,905</u>	<u>7,019,111</u>	<u>6,931,498</u>	<u>6,747,148</u>	<u>9,120,224</u>	<u>7,481,924</u>
\$	<u>9,384,664</u>	<u>11,069,839</u>	<u>10,272,770</u>	<u>8,986,219</u>	<u>14,950,395</u>	<u>10,047,605</u>
\$	(15,082,788)	\$ (14,222,266)	\$ (16,626,786)	\$ (18,552,968)	\$ (16,584,857)	\$ (12,581,720)
	1,254,565	1,722,020	1,683,544	1,080,292	3,239,918	1,211,252
\$	<u>(13,828,223)</u>	<u>(12,500,246)</u>	<u>(14,943,242)</u>	<u>(17,472,676)</u>	<u>(13,344,939)</u>	<u>(11,370,468)</u>

-- Continued

TABLE 2

## CITY OF AURORA, OHIO

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

	Year Ended			
	2010	2011	2012	2013
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 4,617,981	\$ 4,618,591	\$ 4,708,144	\$ 4,065,948
Municipal income taxes	9,804,022	10,570,714	11,609,902	12,522,590
Unrestricted grants and contributions	712,266	797,423	598,423	544,234
Investment earnings	127,086	103,557	73,314	71,171
Miscellaneous	29,292	60,010	102,885	84,880
Transfers in (out)	(44,413)	(162,947)	(160,000)	427,545
Total governmental activities	<u>15,246,234</u>	<u>15,987,348</u>	<u>16,932,668</u>	<u>17,716,368</u>
Business-type activities:				
Investment earnings	2,608	-	-	-
Miscellaneous	27,836	26,876	26,213	27,098
Transfers in (out)	44,413	162,947	160,000	(427,545)
Total business-type activities	<u>74,857</u>	<u>189,823</u>	<u>186,213</u>	<u>(400,447)</u>
Total primary government	<u>\$ 15,321,091</u>	<u>\$ 16,177,171</u>	<u>\$ 17,118,881</u>	<u>\$ 17,315,921</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 3,906,951	\$ 5,579,035	\$ 3,255,565	\$ 12,171,010
Business-type activities	866,952	1,667,433	443,215	1,486,332
Total primary government	<u>\$ 4,773,903</u>	<u>\$ 7,246,468</u>	<u>\$ 3,698,780</u>	<u>\$ 13,657,342</u>

Source: City of Aurora financial records.

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

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 (A)</u>	<u>2019</u>
\$ 3,896,915	\$ 3,593,151	\$ 3,754,299	\$ 3,562,647	\$ 3,515,393	\$ 3,921,599
13,295,422	14,701,925	13,552,188	14,662,819	15,017,040	16,155,683
597,755	620,235	549,962	580,017	714,820	683,980
53,820	92,001	239,340	170,427	351,484	945,750
131,999	238,264	477,039	622,105	750,965	425,229
(212,927)	(364,000)	(1,350,592)	(895,470)	(509,474)	(574,308)
<u>17,762,984</u>	<u>18,881,576</u>	<u>17,222,236</u>	<u>18,702,545</u>	<u>19,840,228</u>	<u>21,557,933</u>
-	-	-	-	-	-
27,885	27,769	27,196	26,122	27,219	27,067
<u>212,927</u>	<u>364,000</u>	<u>1,350,592</u>	<u>895,470</u>	<u>509,474</u>	<u>574,308</u>
<u>240,812</u>	<u>391,769</u>	<u>1,377,788</u>	<u>921,592</u>	<u>536,693</u>	<u>601,375</u>
<u>\$ 18,003,796</u>	<u>\$ 19,273,345</u>	<u>\$ 18,600,024</u>	<u>\$ 19,624,137</u>	<u>\$ 20,376,921</u>	<u>\$ 22,159,308</u>
\$ 2,680,196	\$ 4,659,310	\$ 595,450	\$ 149,577	\$ 3,255,371	\$ 8,976,213
1,495,377	2,113,789	3,061,332	2,001,884	3,776,611	1,812,627
<u>\$ 4,175,573</u>	<u>\$ 6,773,099</u>	<u>\$ 3,656,782</u>	<u>\$ 2,151,461</u>	<u>\$ 7,031,982</u>	<u>\$ 10,788,840</u>

TABLE 3

## CITY OF AURORA, OHIO

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

	<u>2010</u>	<u>2011 (A)</u>	<u>2012</u>	<u>2013</u>
General Fund				
Nonspendable	\$ -	\$ 70,160	\$ 133,965	\$ 95,094
Committed	-	188,192	781,609	801,389
Assigned	-	115,857	223,775	59,806
Unassigned	-	6,716,487	7,736,101	7,273,638
Reserved	104,553	-	-	-
Unreserved	6,557,261	-	-	-
Total general fund	<u>\$ 6,661,814</u>	<u>\$ 7,090,696</u>	<u>\$ 8,875,450</u>	<u>\$ 8,229,927</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ 6,022	\$ 1,943	\$ 3,439
Restricted	-	4,120,165	3,977,485	4,286,847
Committed	-	1,807,357	1,557,066	2,334,950
Assigned	-	2,897,646	2,771,389	3,816,844
Unassigned (deficit)	-	(524)	(270,867)	(47,609)
Reserved	4,330,927	-	-	-
Unreserved, reported in:				
Special revenue funds	2,319,940	-	-	-
Capital projects funds	757,996	-	-	-
Total all other governmental funds	<u>\$ 7,408,863</u>	<u>\$ 8,830,666</u>	<u>\$ 8,037,016</u>	<u>\$ 10,394,471</u>

Source: City of Aurora financial records.

(A) Beginning in 2011, the presentation of fund balances for governmental funds was formatted to conform with GASB Statement No. 54.

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

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 (B)</b>	<b>2019</b>
\$ 69,398	\$ 117,022	\$ 249,492	\$ 300,960	\$ 299,095	\$ 293,183
738,720	793,148	791,894	770,650	834,870	903,943
144,799	222,320	61,539	124,827	100,857	140,701
8,245,297	8,724,111	9,988,003	10,077,707	9,231,139	10,491,863
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 9,198,214</u>	<u>\$ 9,856,601</u>	<u>\$ 11,090,928</u>	<u>\$ 11,274,144</u>	<u>\$ 10,465,961</u>	<u>\$ 11,829,690</u>
\$ 5,655	\$ 13,591	\$ 87,783	\$ 84,689	\$ 64,888	\$ 55,488
4,861,991	4,253,019	3,862,797	4,353,988	3,987,210	3,826,725
2,515,936	2,886,529	3,022,135	3,017,836	3,202,328	3,507,773
4,619,578	4,399,325	3,673,157	3,251,609	2,700,932	2,608,948
-	-	-	-	(16,470)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,003,160</u>	<u>\$ 11,552,464</u>	<u>\$ 10,645,872</u>	<u>\$ 10,708,122</u>	<u>\$ 9,938,888</u>	<u>\$ 9,998,934</u>

TABLE 4

## CITY OF AURORA, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Revenues</b>				
Municipal income taxes	\$ 9,851,187	\$ 10,519,697	\$ 11,401,097	\$ 12,391,858
Real and other taxes	3,433,607	3,149,412	3,149,234	3,004,626
Other local taxes	1,141,430	1,432,733	1,601,365	1,074,994
Charges for services	533,059	452,368	605,973	543,819
Licenses and permits	158,739	175,937	215,605	250,235
Fines and forfeitures	28,901	16,482	21,438	23,219
Intergovernmental	2,488,139	4,460,815	1,841,307	6,641,154
Investment income	179,590	119,851	67,270	68,482
Rental income	7,200	6,600	7,200	7,200
Contributions and donations	6,900	13,932	16,156	16,000
Other	29,292	60,010	102,885	82,214
Total revenues	<u>17,858,044</u>	<u>20,407,837</u>	<u>19,029,530</u>	<u>24,103,801</u>
<b>Expenditures</b>				
Current:				
General government	2,319,370	2,117,945	1,928,562	2,402,409
Security of persons and property	6,869,828	6,967,912	7,258,515	7,612,474
Transportation	2,808,135	2,779,035	2,706,240	2,888,922
Community environment	935,260	818,152	931,340	902,468
Leisure time activity	1,367,526	1,290,959	1,394,527	1,389,813
Other	1,913	1,012	-	1,652
Capital outlay	2,123,975	3,755,777	2,589,971	6,425,858
Debt service				
Principal retirement	707,902	723,747	806,120	875,698
Interest and fiscal charges	451,966	433,469	274,028	261,969
Bond issuance costs	-	-	109,170	-
Total expenditures	<u>17,585,875</u>	<u>18,888,008</u>	<u>17,998,473</u>	<u>22,761,263</u>
Excess (deficiency) of revenues over (under) expenditures	<u>272,169</u>	<u>1,519,829</u>	<u>1,031,057</u>	<u>1,342,538</u>
<b>Other financing sources (uses)</b>				
Capital lease transaction	123,550	-	-	253,877
Loan issuance	246,514	-	10,877	51,987
Note issuance	-	-	-	-
Premium on refunding bonds	-	-	341,070	-
Proceeds of refunding bonds	-	-	4,675,000	-
Payment to refunded bond escrow agent	-	-	(4,906,900)	-
Sale of capital assets	-	490,856	-	223,530
Transfers in	2,215,509	2,220,281	1,698,895	3,514,290
Transfers out	<u>(2,222,409)</u>	<u>(2,380,281)</u>	<u>(1,858,895)</u>	<u>(3,674,290)</u>
Total other financing sources (uses)	<u>363,164</u>	<u>330,856</u>	<u>(39,953)</u>	<u>369,394</u>
Net change in fund balances	<u>\$ 635,333</u>	<u>\$ 1,850,685</u>	<u>\$ 991,104</u>	<u>\$ 1,711,932</u>
Capital expenditures	1,986,253	3,926,395	2,254,176	5,714,920
Debt service as a percentage of noncapital expenditures	7.44%	7.73%	7.55%	6.67%

Source: City of Aurora financial records.

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

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 (A)</b>	<b>2019</b>
\$	13,203,520	\$ 13,869,859	\$ 14,034,794	\$ 14,804,510	\$ 14,725,370	\$ 15,777,740
	2,989,382	3,050,665	3,095,928	3,151,569	3,174,940	3,413,619
	960,362	534,783	598,857	410,958	408,181	424,821
	698,150	638,196	557,452	645,808	630,522	632,796
	292,395	284,851	368,526	478,611	546,732	550,424
	22,695	26,453	31,421	39,747	47,716	54,505
	1,873,350	1,991,832	1,851,803	1,820,527	1,795,236	1,731,827
	71,563	75,977	268,149	170,076	356,579	1,009,987
	7,235	7,402	7,269	9,451	16,202	17,105
	15,950	32,000	17,000	6,500	11,000	10,500
	134,188	206,296	473,090	622,105	750,965	425,229
	<u>20,268,790</u>	<u>20,718,314</u>	<u>21,304,289</u>	<u>22,159,862</u>	<u>22,463,443</u>	<u>24,048,553</u>
	2,089,725	2,498,448	2,285,051	2,368,314	2,420,697	2,478,792
	7,554,108	7,857,501	8,161,287	8,435,504	8,855,579	8,554,213
	2,870,022	3,126,803	3,423,603	2,960,295	3,442,330	2,661,164
	1,011,197	949,579	1,077,257	1,136,253	1,209,600	1,287,807
	1,519,736	1,627,403	1,690,833	1,854,255	1,878,308	1,827,323
	-	-	-	-	-	-
	1,308,787	2,940,173	2,511,481	3,400,354	4,728,421	5,366,381
	898,740	932,727	940,088	900,671	925,362	327,838
	244,509	213,989	181,776	149,705	117,666	94,913
	-	-	-	-	-	-
	<u>17,496,824</u>	<u>20,146,623</u>	<u>20,271,376</u>	<u>21,205,351</u>	<u>23,577,963</u>	<u>22,598,431</u>
	<u>2,771,966</u>	<u>571,691</u>	<u>1,032,913</u>	<u>954,511</u>	<u>(1,114,520)</u>	<u>1,450,122</u>
	-	-	-	-	-	-
	19,010	-	-	-	-	-
	-	-	-	-	-	475,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	58,822	24,955	21,093	8,653
	3,173,000	2,923,000	2,223,000	3,758,000	3,446,622	3,740,000
	<u>(3,387,000)</u>	<u>(3,287,000)</u>	<u>(2,987,000)</u>	<u>(4,492,000)</u>	<u>(3,870,622)</u>	<u>(4,250,000)</u>
	<u>(194,990)</u>	<u>(364,000)</u>	<u>(705,178)</u>	<u>(709,045)</u>	<u>(402,907)</u>	<u>(26,347)</u>
\$	<u>2,576,976</u>	<u>\$ 207,691</u>	<u>\$ 327,735</u>	<u>\$ 245,466</u>	<u>\$ (1,517,427)</u>	<u>\$ 1,423,775</u>
	430,279	3,013,976	2,039,878	2,960,790	4,425,478	4,404,855
	6.70%	6.69%	6.15%	5.76%	5.45%	2.32%

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
2010	\$ 3,485,286	\$ 3,382,265	97.04%	\$ 74,601	\$ 3,456,866	99.18%	\$ 103,021
2011	3,492,389	3,397,979	97.30%	82,871	3,480,850	99.67%	94,410
2012	3,503,174	3,425,919	97.79%	104,900	3,530,819	100.79%	77,255
2013	3,384,311	3,318,486	98.05%	65,777	3,384,263	100.00%	65,825
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

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 (B)	Total Collections	Percent of Total Collections to Levy	Current Delinquent Amount
2010	\$ 3,353	\$ 3,342	99.67%	N/A	\$ 3,342	99.67%	\$ 11
2011 (A)	-	-	-	290	290	-	-
2012	-	-	-	128	128	-	-
2013	-	-	-	45	45	-	-
2014	-	-	-	11	11	-	-
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-

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.

(A) Tangible personal property tax levies and collections were phased out from 2008 through 2011.

(B) 2008 - 2010 delinquent collection information was not available.



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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
2010	2011	\$ 1,656,395,657	\$ 579,738,480	\$ 9,220,886	\$ 8,114,380
2011	2012	1,660,502,743	581,175,960	9,587,432	8,436,940
2012	2013	1,616,021,514	565,607,530	10,293,648	9,058,410
2013	2014	1,624,630,000	568,620,500	11,259,375	9,908,250
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

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.

<b>Total</b>			
<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Assessed Value as a Percentage of Actual Value</b>
\$ 1,665,616,543	\$ 587,852,860	7.77	35.29%
1,670,090,175	589,612,900	7.77	35.30%
1,626,315,162	574,665,940	7.68	35.34%
1,635,889,375	578,528,750	7.68	35.36%
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%

**TABLE 8**

**CITY OF AURORA, OHIO**

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

<b>Tax Year</b>	<b>Collection Year</b>	<b>County Levy</b>	<b>School Levy</b>	<b>Portage County District Board of Health</b>	<b>Portage Park District</b>	<b>City of Aurora</b>	<b>Total Levy</b>
2010	2011	13.62	74.77	0.40	-	7.77	96.56
2011	2012	13.62	74.81	0.40	-	7.77	96.60
2012	2013	13.62	80.93	0.40	-	7.68	102.63
2013	2014	13.62	80.84	0.40	-	7.68	102.54
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

Source: Portage County Auditor

**TABLE 9**

**CITY OF AURORA, OHIO**

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

<b>Tax Year</b>	<b>Collection Year</b>	<b>Inside Operating</b>	<b>Road and Bridge</b>	<b>Police</b>	<b>Fire/ Paramedic</b>	<b>Bond Retirement</b>	<b>Total Tax Rate</b>
2010	2011	2.40	0.90	0.90	2.80	0.77	7.77
2011	2012	2.40	0.90	0.90	2.80	0.77	7.77
2012	2013	2.40	0.90	0.90	2.80	0.68	7.68
2013	2014	2.40	0.90	0.90	2.80	0.68	7.68
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

Source: Portage County Auditor

**TABLE 10**

**CITY OF AURORA, OHIO**

**REAL PROPERTY PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>December 31, 2019</b>		
<b>Name of Taxpayer</b>	<b>Valuation</b>	<b>Percent of Total</b>
CPG Partners LP	\$ 8,476,100	1.18%
Ohio Edison Co.	8,010,100	1.10%
Aerc Barrington Inc.	6,962,870	0.96%
American Transmission Systems Inc.	6,206,720	0.86%
Barrington Properties, LLC	4,119,480	0.57%
AM&K Realty LLC	4,093,000	0.56%
McMaster Carr Supply Company	4,007,530	0.55%
Health Care REIT Inc.	3,803,420	0.52%
Hawthorn of Aurora LTD Partnership	2,690,030	0.37%
Rotek Inc.	2,604,970	0.36%
Total	<u>\$ 50,974,220</u>	<u>7.03%</u>
Total Assessed Valuation - Real Property	<u>\$ 725,576,440</u>	

<b>December 31, 2010</b>		
<b>Name of Taxpayer</b>	<b>Valuation</b>	<b>Percent of Total</b>
CPG Partners LP	\$ 7,525,780	1.27%
Aerc Barrington Inc.	6,058,360	1.03%
Cedar Fair LP	5,864,190	1.00%
Ohio Edison Co.	5,858,190	1.00%
Norton Brothers Holding Co.	3,721,770	0.63%
Heritage Capital Corp	3,535,110	0.60%
Independence Village of Aurora LLC	2,737,560	0.47%
Hawthorn of Aurora LTD Partnership	2,499,670	0.43%
Barrington Golf Club Inc.	2,275,030	0.39%
Developers Diversified Realty Corp	2,241,650	0.38%
Total	<u>\$ 42,317,310</u>	<u>7.20%</u>
Total Assessed Valuation - Real Property	<u>\$ 587,852,860</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>
2010	2.00%	\$ 9,443,921	\$ 5,626,996	59.58%	\$ 1,937,867	20.52%	\$ 1,879,058	19.90%
2011	2.00%	10,425,270	5,901,212	56.60%	2,287,275	21.94%	2,236,782	21.46%
2012	2.00%	10,982,466	6,429,389	58.54%	2,491,534	22.69%	2,061,544	18.77%
2013	2.00%	12,048,518	6,876,611	57.07%	2,898,297	24.06%	2,273,609	18.87%
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%

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				Business-Type Activities			
	General Obligation Bonds	Promissory Note	OPWC Loans	Capital Leases	General Obligation Bonds	OWDA Loans	OPWC Loans	Capital Leases
2010	\$ 9,256,581	-	\$ 439,363	\$ 122,202	\$ 698,177	\$ 5,271,889	\$ 347,500	\$ 38,111
2011	8,607,245	-	384,712	82,217	644,814	4,689,213	297,500	-
2012	8,176,011	-	340,937	63,082	589,674	4,075,979	247,500	-
2013	7,399,136	-	338,273	231,021	532,311	3,445,324	414,573	-
2014	6,599,480	-	298,537	148,916	472,727	2,788,944	373,757	-
2015	5,772,494	-	235,699	64,248	410,475	2,106,312	328,587	-
2016	4,917,728	-	172,859	-	341,002	1,395,270	295,917	-
2017	4,030,629	-	117,521	-	268,862	703,829	263,248	-
2018	3,122,077	-	69,681	-	194,957	484,988	245,578	-
2019	2,805,536	475,000	36,843	-	179,457	257,361	227,908	-

## 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.

## Note:

(C) General obligation bonds include unamortized premiums.



<b>(A)</b> <b>Total</b> <b>Primary</b> <b>Government</b>	<b>(B)</b> <b>Total</b> <b>Personal</b> <b>Income</b>	<b>Percentage</b> <b>of Personal</b> <b>Income</b>	<b>(B)</b> <b>Population</b>	<b>Per</b> <b>Capita</b>
\$ 16,173,823	\$ 643,780,488	2.51%	15,548	\$ 1,040
14,705,701	634,964,772	2.32%	15,548	946
13,493,183	663,977,340	2.03%	15,548	868
12,360,638	661,551,852	1.87%	15,548	795
10,682,361	649,191,192	1.65%	15,548	687
8,917,815	660,385,752	1.35%	15,548	574
7,122,776	718,690,644	0.99%	15,876	449
5,384,089	723,489,158	0.74%	15,982	337
4,117,281	744,859,620	0.55%	16,230	254
3,982,105	792,736,098	0.50%	16,338	244

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 (D)	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
2010	\$ 9,954,758	\$ -	\$ 9,954,758	\$1,665,616,543	0.60%	15,548	\$ 640
2011	9,252,059	484,914	8,767,145	1,670,090,175	0.52%	15,548	564
2012	8,765,685	536,905	8,228,780	1,626,315,162	0.51%	15,548	529
2013	7,931,447	531,878	7,399,569	1,635,889,375	0.45%	15,548	476
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

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.

(D) Information for 2010 was not readily available.

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
2010	\$ 48,787	\$ 5,902	0.00%	\$ 48,131	98.66%	\$ 2,204
2011	61,468	7,183	0.00%	56,711	92.26%	6,727
2012	56,629	13,282	0.00%	52,310	92.37%	10,259
2013	47,069	22,388	0.00%	50,865	108.06%	4,497
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

Source: Portage County Auditor

**TABLE 15**

**CITY OF AURORA, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING  
GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2019

<u>Jurisdiction</u>	<u>Governmental Activities Debt</u>	<u>Percentage Overlapping</u>	<u>Applicable to the City</u>
Direct:			
City of Aurora	\$ 3,317,379	100.00%	\$ 3,317,379
Overlapping Debt:			
Portage County	11,360,513	18.56%	2,108,511
Aurora City School District	13,783,071	96.40%	13,286,880
Total Overlapping Debt	<u>25,143,584</u>		<u>15,395,391</u>
Total Direct and Overlapping Debt	<u>\$ 28,460,963</u>		<u>\$ 18,712,770</u>

Source: Debt outstanding for overlapping government - Ohio Municipal Advisory Council (OMAC), as of January 1, 2020

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

<u>Year</u>	<u>Debt Limit - Voted</u>	<u>Debt Limit - Unvoted</u>	<u>Net Debt Applicable to Limit</u>	<u>Debt Service Available Balance</u>	<u>Legal Debt Margin - Voted</u>	<u>Legal Debt Margin - Unvoted</u>	<u>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</u>
2010	\$ 61,724,550	\$ 32,331,907	\$ 5,085,000	\$ 2,756,778	\$ 59,396,328	\$ 32,331,907	8.24%
2011	61,909,355	32,428,710	4,885,000	2,149,784	59,174,139	32,428,710	7.89%
2012	60,339,924	31,606,627	4,595,000	1,598,018	57,342,942	31,606,627	7.62%
2013	60,745,519	31,819,081	4,325,000	1,471,116	57,891,635	31,819,081	7.12%
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%

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	
2010	\$ 2,368,405	\$ 1,371,399	\$ 997,006	\$ 565,598	\$ 227,649	\$ 793,247	1.26
2011	2,469,981	1,293,476	1,176,505	558,551	204,866	763,417	1.54
2012	2,596,162	1,300,097	1,296,065	613,234	181,157	794,391	1.63
2013	2,646,138	1,332,719	1,313,419	630,655	156,484	787,139	1.67
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

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
2010	15,548	\$ 643,780,488	\$ 41,406	9.8%	9.6%	9.4%
2011	15,548	634,964,772	40,839	8.3%	8.1%	8.5%
2012	15,548	663,977,340	42,705	6.2%	6.7%	7.8%
2013	15,548	661,551,852	42,549	6.6%	7.2%	6.7%
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%

## 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**

<b>Employer</b>	<b>2019</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
McMaster-Carr Supply Co.	656	1	6.16%
Aurora City School District	620	2	5.82%
The Rovisys Company	374	3	3.51%
USA Instruments Inc.	260	4	2.44%
ILPEA Industries Inc.	247	5	2.32%
City of Aurora	247	6	2.32%
Partssource Inc.	226	7	2.12%
Technical Consumer Products Inc.	220	8	2.06%
Rotek Incorporated	166	9	1.56%
Pyrotek	109	10	1.02%
<b>Total</b>	<b>3,125</b>		<b>29.33%</b>
<b>Total City Employment</b>	<b>10,656</b>		

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 THREE YEARS**

<b>Function/Program</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>General Government</b>			
Council	1.0	1.0	1.0
Mayor	3.0	3.0	4.0
Finance	5.0	5.0	5.0
Law	2.0	2.0	2.0
Service	24.0	25.0	24.0
Engineering	2.0	2.0	3.0
<b>Security of Persons and Property</b>			
Police	29.0	31.0	31.0
Dispatch	7.0	7.0	6.0
Fire	19.0	19.0	19.0
<b>Leisure Time Activities</b>			
Parks	5.0	5.0	5.0
Recreation	3.0	4.0	4.0
Sports	3.0	3.0	3.0
<b>Community Environment</b>			
Building & Zoning	7.0	7.0	7.0
<b>Utilities</b>			
Water	6.0	6.0	7.0
Wastewater	4.0	4.0	4.0
<b>Total</b>	<b>120.0</b>	<b>124.0</b>	<b>125.0</b>

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

Source: City of Aurora Finance Department

TABLE 21

## CITY OF AURORA, OHIO

OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Security of Persons and Property</b>										
<b>Police</b>										
Offenses Cited	(a)	(a)	(a)	(a)	(a)	(a)	1,243	1,170	1,199	1,216
Dispatch Calls	(a)	(a)	(a)	(a)	(a)	22,525	23,676	19,454	17,492	14,220
Traffic Stops	(a)	(a)	(a)	(a)	(a)	3,479	3,776	2,771	3,111	2,758
Traffic Accidents	(a)	(a)	(a)	(a)	(a)	197	237	205	235	211
Juvenile Arrests	(a)	(a)	(a)	(a)	(a)	46	75	71	57	71
K9 Unit Deployments	(a)	(a)	(a)	(a)	(a)	(a)	(a)	24	33	322
<b>Fire</b>										
EMS Response Calls	(a)	(a)	(a)	1,498	1,570	1,561	1,750	1,675	1,700	1,816
Fire Response Calls	(a)	(a)	(a)	386	416	436	443	462	591	629
EMS Avg. Response Time (mins.)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	3.97	3.15	4.10
Fire Avg. Response Time (mins.)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	4.21	4.28	5.28
Fire Prevention Inspections	(a)	(a)	(a)	(a)	(a)	(a)	(a)	396	421	375
<b>Community Environment</b>										
Residential Inspections	1,895	2,175	2,409	3,305	3,015	3,551	4,269	5,248	5,985	5,969
Commercial Inspections	484	506	452	671	1,018	764	559	625	622	538
New Residential Construction (millions)	\$ 7.74	\$ 7.22	\$ 14.68	\$ 22.77	\$ 18.60	\$ 21.86	\$ 26.03	\$ 27.79	\$ 38.09	\$ 30.81
New Commercial Construction (millions)	\$ 1.79	\$ 2.19	\$ 3.24	\$ 6.53	\$ 11.34	\$ 6.14	\$ 0.85	\$ 5.20	\$ 3.46	\$ 2.31
New Industrial Constructions (millions)	\$ 0.56	\$ 2.77	\$ 5.20	\$ 0.55	\$ 4.24	\$ 14.95	\$ 6.79	\$ 11.69	\$ 18.64	\$ 18.22
<b>Water/Sewer</b>										
Customers Served	(a)	(a)	(a)	(a)	(a)	(a)	5,501	5,546	5,686	5,813
Water Cubic Feet Used (millions)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	51.35	51.53	49.87
Sewer Cubic Feet Processed (millions)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	45.06	45.26	44.77

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Security of Persons and Property</b>										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	(a)	(a)	(a)	(a)	(a)	(a)	(a)	19	19	19
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Response Vehicles	(a)	(a)	(a)	(a)	(a)	(a)	(a)	13	13	12
<b>Public Health and Welfare</b>										
Cemeteries	3	3	3	3	3	3	3	3	3	3
<b>Leisure Time Activities</b>										
Park Acreage	(a)	(a)	(a)	(a)	(a)	(a)	(a)	1,490	1,490	1,777
Parks	(a)	(a)	(a)	(a)	(a)	(a)	(a)	12	12	14
Baseball/Softball Fields	(a)	(a)	(a)	(a)	(a)	(a)	(a)	14	18	16
Soccer Fields	(a)	(a)	(a)	(a)	(a)	(a)	(a)	13	19	19
<b>Transportation</b>										
Streets (paved miles)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	131.5	131.5	137.1
<b>Water</b>										
Water Mains (miles)	(a)	(a)	(a)	(a)	(a)	(a)	(a) *	105.1 *	105.1	105.1
<b>Sewer</b>										
Sanitary Sewers (miles)	(a)	(a)	(a)	(a)	(a)	(a)	(a) *	100.5 *	100.5	100.5

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

\*The water and sanitary sewer line miles for 2017 and 2018 have been updated to more accurately reflect the correct miles.

(a) Information not readily available.

Source: Various City of Aurora Department Records

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF AURORA**

**PORTAGE COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 28, 2020**