LEADING LIGHT
2017 BUDGET-IN-BRIEF
The City of Aurora casts a forward-facing light with its Budget-in-Brief. Please join us as we examine how a responsible budget guides the city's decisions.

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**City of Aurora Residents and Businesses:**

The City of Aurora is pleased to provide again its budget-in-brief, which presents a summary of the city’s 2017 budget of nearly $420 million. Published for the first time last year, the budget-in-brief provides a very direct and understandable review of the full budget document that is approximately 450 pages long.

The city budget is the product of a nine-month period of development. The budgetary process involves preparatory work by the city staff, coordination by the Finance Department and the Mayor’s Office, and extensive review by the Finance Committee of the City Council. The budgeting process culminates with the proposed spending plan being approved by the City Council after a public hearing. The official version of the budget is, in fact, completely comprehensive of the information required and is in compliance with all legal requirements.

It was the desire to reduce all of the extensive work into a brief and easily understandable summary that has resulted in this budget-in-brief. The budget-in-brief is evidence of our desire to communicate in a clear and transparent fashion with the city’s residents, businesses, and others with an interest in our finances. We made a similar effort recently by releasing the city’s first Popular Annual Financial Report (PAFR). The PAFR presents summarized and reader-friendly information on the results of our financial activities for the fiscal year that ended December 31, 2015. The effectiveness of the city’s first PAFR was recognized by the Government Finance Officer Association with its Award for Outstanding Achievement in Popular Annual Financial Reporting.

We hope you will find the budget-in-brief to be a useful guide in understanding our financial planning. The budget-in-brief illustrates that we are always working to assure that Aurora, “The City of Lights,” is open and transparent to all.

Most respectfully,

Robert J. O’Connor
Mayor Of Aurora
The City of Aurora is located 36 miles west of Chicago, Illinois, on the Fox River. It is the second largest city in the State of Illinois, the 20th largest in the Midwest, and the 114th largest in the United States.

The city has a population of 200,661. The city owns and operates a zoo, a golf course, and an airport. Aurora is home to the oldest limestone roundhouse in the United States, which currently houses the Two Brothers Roundhouse, an expansive restaurant, brewery and banquet facility. In 2013, RiverEdge Park opened on the east bank of the Fox River in downtown Aurora. The park is a major recreational and entertainment venue.

**OUR VISION**

The City of Aurora exists to provide municipal services through efficient, effective, and progressive governance allowing individuals, families, and businesses the opportunity to thrive in a friendly, safe, and dynamic environment. By maintaining trust, respect, and accountability in its day-to-day operations, the city will build on its strengths and creativity.

**OUR MISSION**

Over the next one to three years, the City of Aurora will:

- Advance the safety and security of all segments of our community.
- Improve the delivery of public services and increase levels of customer service.
- Retain and attract quality businesses to support our local economy.
- Upgrade our public facilities to better serve the needs of the community.
- Focus on revitalizing our established neighborhoods while continuing downtown development.
- Build our community image and engender a fuller public appreciation of the city’s value.
- Increase the overall satisfaction of our residents, consistent with our vision of the future.
How is the budget developed and approved?

Producing the city budget is a process that involves teams of people working together through many tasks. Below is an illustration of how the budget is developed and approved.

1. **Mayor**
   - The mayor submits a proposed budget for January 1 Fiscal Year.

2. **Finance Committee**
   - The Finance Committee reviews during a series of public meetings.

3. **Committee of the Whole**
   - The Committee of the Whole refines and presents to City Council.

4. **City Council**
   - City Council approves and releases the budget.

How is the budget organized?

The city’s budget is based on funds, which can be thought of as groups of accounts used for a common purpose. Each fund has to bring in at least as much money as it spends. For example, the city’s primary operating fund, the General Fund, receives money primarily from public taxes. In return, the General Fund provides police protection, fire and ambulance services, street maintenance, snow removal, community planning, supporting administration, and other services.
The city’s 2017 budget provides resources for items that involve significant construction (capital items) and those that are programmatic in nature. Capital items are addressed later in this budget-in-brief. Major operational initiatives in the budget include:

- **Public Safety Enterprise Resource Platform (ERP).** The city’s computer-aided dispatch and records management functions will be modernized with the implementation of a new ERP. The 2017 budget provides $4.8 million for completion of the project.

- **Community Service Officers (CSOs).** Seven part-time CSOs will be added to the staff of the Police Department to provide services at the department’s front desk. The new CSOs will permit the redeployment of sworn police officers to direct law enforcement functions.

- **Public Safety Vehicles.** The 2017 budget provides $1.2 million to replace an aerial/platform fire truck and $835,000 for the replacement of 19 police vehicles, including 15 squad cars.

- **Aurora Arts Centre.** The former downtown Waubonsee Community College building will be transformed to a combined-use facility with a school for performing arts, a restaurant space, and 38 affordable one-bedroom or studio artist lofts. Tax increment financing monies of $500,000 will be devoted to this $3.4 million redevelopment project.

- **Neighborhood Group Support Team.** The city has developed a program to mobilize residents, churches, businesses, healthcare providers, educational institutions, and social service agencies to counter violence in some parts of the community. These “Neighborhood Groups” will continue to be supported by city staff members. The cost of the support program in 2017 will be about $115,000.
OVERALL BUDGET

HOW ARE CITY SERVICES FUNDED?
The city funds public services and programs through a variety of different sources of revenue.

- The 2017 budget includes the first full year of revenues of a 4¢-per-gallon municipal motor fuel tax (MMFT), which was instituted in 2016. The amount expected from a full year of the tax is $2 million. The proceeds of the MMFT are earmarked for the resurfacing of neighborhood streets.

- Since 2006, the city has received funding of nearly $102 million through a variety of federal and state programs to support road, bridge, traffic signal, and utility improvement projects with a total cost of approximately $146 million.

- The city adheres to a policy of adjusting water and sewer rates moderately each year to avoid large increases at irregular intervals. Since 2005, annual increases for residential customers have been limited to an average of less than 4%. The additional revenue provides resources for the continued operations and maintenance of the city’s water and sewer system as well as a wide variety of infrastructure improvements.

- The “Other Revenues” classification reflected at the right includes pension contributions, debt proceeds, and miscellaneous revenues.

2017 REVENUES

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$88,397,600</td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>$47,113,000</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>$20,600,000</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>$39,285,475</td>
</tr>
<tr>
<td>Grants</td>
<td>$7,828,200</td>
</tr>
<tr>
<td>Charges for Services and Other Fees</td>
<td>$72,137,401</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$23,127,100</td>
</tr>
<tr>
<td>Transfers Between City Funds</td>
<td>$38,063,496</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>$46,472,776</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>$383,025,048</strong></td>
</tr>
</tbody>
</table>
### 2017 EXPENDITURES

- **General Fund**: $168,648,033
- **Special Revenue Funds**: $72,511,368
- **Capital Projects Funds**: $23,791,874
- **Debt Service Funds**: $10,832,300
- **Proprietary Funds**: $91,516,789
- **Trust Funds**: $39,547,457
- **Library Funds**: $12,108,464

**TOTAL EXPENDITURES**: $418,956,285

In addition to current-year revenues, on-hand cash (fund balance) is available to pay current-year expenditures, especially in capital projects funds.

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### EXPENDITURES EXPLAINED

#### GENERAL FUND
The city’s primary operating fund provides for basic services such as police and fire protection, community planning, and roadway maintenance.

#### SPECIAL REVENUE FUNDS
These funds are used to manage resources that are legally restricted for specific purposes.

#### CAPITAL PROJECTS FUNDS
Funds used to account for resources dedicated primarily for capital outlays, such as the acquisition or construction of infrastructure.

#### DEBT SERVICE FUND
A fund used to accumulate resources to pay for the city’s general obligation debt.

#### PROPRIETARY FUNDS
These funds are used to account for activities that are generally supported by user fees. The Water and Sewer Fund is the city’s largest proprietary fund.

#### TRUST FUNDS
Resources held for the benefit of others that cannot be used for the city’s programs. For example, the city’s Police and Firefighters’ Pension Funds are trust funds.

#### LIBRARY FUNDS
Resources earmarked to support the Aurora Public Library, a semi-autonomous governmental unit associated with the city.
Property taxes are the largest single source of revenue for the City of Aurora at $83 million.

A resident’s property tax bill is split among several different taxing districts. The city and the Aurora Public Library comprise about 19% and 3% of the homeowner’s taxes, respectively. The city’s share provides resources for public safety services and municipal debt payments. In addition, a rapidly increasing amount must be applied to state-mandated pension payments.

**TOP TEN PROPERTY TAXPAYERS**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Taxpayer Name</th>
<th>Equalized Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Simon/Chelsea Chicago Development, LLC</td>
<td>$50,483,727</td>
</tr>
<tr>
<td>2</td>
<td>Liberty Illinois LP</td>
<td>$36,344,383</td>
</tr>
<tr>
<td>3</td>
<td>Westfield Shoppingtown</td>
<td>$33,592,860</td>
</tr>
<tr>
<td>4</td>
<td>Toyota Motor Sales, U.S.A., Inc.</td>
<td>$29,795,276</td>
</tr>
<tr>
<td>5</td>
<td>TGM Chesapeake, Inc.</td>
<td>$17,598,240</td>
</tr>
<tr>
<td>6</td>
<td>Aurora Industrial Holding Company LLC</td>
<td>$17,580,012</td>
</tr>
<tr>
<td>7</td>
<td>AMF II Oakhurst North</td>
<td>$14,923,840</td>
</tr>
<tr>
<td>8</td>
<td>TA Associates Realty</td>
<td>$13,951,270</td>
</tr>
<tr>
<td>9</td>
<td>Fox Valley Villages, LLC</td>
<td>$11,214,750</td>
</tr>
<tr>
<td>10</td>
<td>MFREVF-Kirkland Crossing, LLC</td>
<td>$9,165,750</td>
</tr>
</tbody>
</table>

The city’s top ten taxpayers paid about 7% of the city’s property taxes in 2016.
The General Fund is the primary operating fund that supports many of the city’s core services. It accounts for the resources used to pay for the services traditionally associated with local government. Through the General Fund, financial resources are provided for police and fire protection, street maintenance, property standards enforcement, general administration, and other various services. The operations of the water and sewer utility, municipal airport, Phillips Park Golf Course, and commuter train stations are primarily supported through user fees and accounted for separately.

In addition to current-year revenues, on-hand cash (fund balance) is available to pay current-year expenditures.
CAPITAL IMPROVEMENT PLAN

The city’s Capital Improvement Plan (CIP) reflects a ten-year projection of expenditures for a wide variety of capital projects. The CIP is a stand-alone document but it impacts upon the city’s annual budget. The CIP serves as a tool for planning the city’s infrastructure needs. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least $100,000 and a useful life of more than one year.

The city groups the CIP projects into several functional categories: downtown, economic development, facilities, municipal airport, neighborhood redevelopment, recreation, stormwater, transportation, and water and sewer projects. The total capital improvement budget for 2017 is $79.4 million. The complete CIP document is available on the city’s official website: www.aurora-il.org/finance/budget.php

2017 CAPITAL IMPROVEMENTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown</td>
<td>$3,917,500</td>
</tr>
<tr>
<td>Economic Development</td>
<td>$3,600,000</td>
</tr>
<tr>
<td>Facilities</td>
<td>$11,474,400</td>
</tr>
<tr>
<td>Neighborhood Redevelopment</td>
<td>$400,000</td>
</tr>
<tr>
<td>Municipal Airport</td>
<td>$456,000</td>
</tr>
<tr>
<td>Recreation</td>
<td>$900,000</td>
</tr>
<tr>
<td>Stormwater</td>
<td>$16,211,000</td>
</tr>
<tr>
<td>Transportation</td>
<td>$25,007,300</td>
</tr>
<tr>
<td>Water &amp; Sewer</td>
<td>$17,402,200</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$79,368,400</strong></td>
</tr>
</tbody>
</table>

CITY SPOTLIGHT

For the 17th consecutive year, the Government Finance Officers Association of the United States and Canada presented the Distinguished Budget Presentation Award to the City of Aurora. This prestigious award recognizes budgets that demonstrate effectiveness as a policy document, operations guide, financial plan, and communications device.
MAJOR CAPITAL EXPENDITURES FOR 2017:

➤ **Fire Station #7.** The existing fire station on Kenilworth Place between Heywood Street and Harrison Avenue, built in 1957, is obsolete and no longer meets the community’s needs. At a cost of $4 million, a new station will be constructed to replace the current structure. The new station will have additional capacity to house an ambulance.

➤ **Farnsworth Avenue from Sheffer Road to Mountain Street.** The 2017 budget provides $3.3 million for the reconstruction of this stretch of a main city thoroughfare. As part of the project, the existing culverts at Indian Creek will be replaced with a box beam bridge.

➤ **Neighborhood Street Improvements.** In 2017, $4.5 million has been budgeted for the ongoing neighborhood street improvement program. With this budgetary provision, 47.4 lane-miles will be resurfaced.

➤ **Arterial and Collector Resurfacing.** The city’s arterial and collector road resurfacing program is budgeted at $3.5 million in 2017. Through this program, approximately 18 lane-miles of arterial and collector roads will be restored.

➤ **Watermain Evaluation, Repair, and Replacement.** In 2017, $2.8 million is budgeted for this project. It includes the evaluation and repair of problematic sections of the city’s water distribution system as well as advanced leak detection and metering.

➤ **Sanitary Sewer Evaluation and Rehabilitation.** The city has earmarked $4.5 million for the identification and repair of aged and weakened sanitary sewer lines. The work will promote the long-term functionality of the city’s sanitary sewer system.

➤ **Long-Term Control Plan Improvements.** The city has budgeted $8.2 million in 2017 to separate combined sewers in various areas of the community. This work is part of a federally mandated, $120 million program that must be accomplished by 2030.
The purpose of this Budget-in-Brief is to give citizens an overview of the City of Aurora’s 2017 Budget. Only highlights of the budget are presented. The complete 2017 budget document can be found on the city’s website: www.aurora-il.org/finance/budget.php