

City of Aurora



Finance Department | Accounting Division

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MEMORANDUM

TO: Richard C. Irvin, Mayor
Robert J. O'Connor, Alderman-at-Large
Sherman L. Jenkins, Alderman-at-Large
Emmanuel Llamas, Alderman
Juany Garza, Alderman
Theodoros C. Mesiacos, Alderman
William M. Donnell, Alderman
Carl Franco, Alderman
Michael B. Saville, Alderman
Scheketa Hart-Burns, Alderman
Patty Smith, Alderman
Edward J. Bugg, Alderman
Judd Lofchie, Alderman

FROM: Martin Lyons, Chief Financial Officer/City Treasurer

DATE: September 11, 2020

SUBJECT: Treasurer's Report – August 2020

Attached for your information is the Treasurer's Report for the month ended August 31, 2020. Please note that this is a cash-basis report.

We continue to monitor the impact of COVID-19 on City Finances. As related in last month's report, the revenue loss in sales tax decreased from 33% to 26%. For June Sales Tax (the third full month of COVID restrictions), the City saw a sales tax loss of only 11% over last year. That being said, the State of Illinois continues to see cases and if our incident rate passes above the Governor's goal levels there is the possibility of further shutdowns. Conversely, now that the state is split into more districts when it comes to monitoring case rate, Aurora may not be shut down even if another District is shut down.

When reviewing the Cash Flow graphic in this report you can see that we are actually above cash balance levels compared to 2019. This is not because we have not lost revenues, but rather is due to the combination of the spending freezes and our revenue losses as noted below and summarized in the Variance Report for the General Fund attached.

City Of Aurora
YTD Variance Report
August 31, 2020

	FY 2019 Budget	FY 2019 Actual	Over / (Under) \$	% Variance	FY 2020 Budget	FY 2020 YTD	% YTD
TOTAL GENERAL FUND REVENUE	<u>181,598,001</u>	<u>190,345,138</u>	<u>(8,747,137)</u>	<u>(4.82%)</u>	<u>194,499,377</u>	<u>99,978,749</u>	<u>51%</u>
TOTAL GENERAL FUND EXPENSE	<u>182,513,047</u>	<u>181,530,670</u>	<u>(982,377)</u>	<u>(0.54%)</u>	<u>195,584,172</u>	<u>107,351,154</u>	<u>55%</u>
NET SURPLUS / (DEFICIT)	(915,046)	8,814,468			(1,084,795)	(7,372,405)	
BEGINNING FUND BALANCE		22,988,933				31,803,401	
ENDING FUND BALANCE		<u>31,803,401</u>				<u>24,430,996</u>	

In the table above, Revenues were at 51% of the annual budget, and Expenses were at 55%. Both balances are under the budget of 67% year-to-date. By delaying some of our expenses over the past 6 months we have been able to provide continued services in all departments, without additional funds. The City is continuing to monitor the situation closely and will update its information as new developments arise.

attachment

c: Alex Alexandrou, Chief Management Officer
Jennifer Stallings, City Clerk

Included above are the ending balances as of August 31, 2020 for both fund and cash balances. Of these two amounts, cash balance is the more meaningful metric since this represents liquid cash and/or invested assets which can be used (or easily sold) to support and fund current operations. While ending fund balance is also an important measurement of the City's financial health, it usually includes illiquid assets or future cash receipts or disbursements such as receivables (including property tax) due to the City and accounts payable/accrued expenses. The enterprise funds' fund balances reflect net short term assets and liabilities, to more accurately present current operations.

As of August 31, 2020, the General Fund is reporting a deficit of \$7,372,405.10. The General Fund balance is \$24,430,996.06 with a cash balance of \$31,295,332.14. The attached supplemental chart shows the General Fund revenues at 51% and expenses slightly higher at 55%. This is primarily due to timing of tax revenues received.

Through August 31, 2020, the Block Grant Fund is showing a negative fund balance of \$123,066.60 and a negative cash balance of \$120,066.60. This is due to the timing of grant funding revenues that are funded on a reimbursement basis.

Through August 31, 2020, the Section 108 Loan Fund is showing a negative fund balance of \$112,681.64 and a negative cash balance of \$151,921.32. Future payments from lenders will bring this fund balance back to a positive balance.

Through August 31, 2020, the TIF #10 Galena/Broadway Fund is showing a negative fund balance of \$388,581.19 and a negative cash balance of \$222,478.14. This is due to timing of payments made with redevelopment agreements and TIF funds received.

Through August 31, 2020, the TIF #11 Benton/River Fund is showing a negative fund and cash balances of \$267,745.12. This is due to timing of payments made with redevelopment agreements and TIF funds received.

Through August 31, 2020, the TIF #12 Ogden/75th Fund is showing a negative fund and cash balances of \$263.15. This is due to timing of payments made with redevelopment agreements and TIF funds received.

Through August 31, 2020, the TIF #13 River/Galena Fund is showing a negative fund balance of \$983,024.12 and a negative cash balance of \$151,019.22. This is due to timing of payments made with redevelopment agreements and TIF funds received.

Through August 31, 2020, the TIF #14 Lincoln/Westin Fund is showing a negative fund balance of \$1,545,526.71 and a negative cash balance of \$42,299.98. This is due to timing of payments made with redevelopment agreements and TIF funds received.

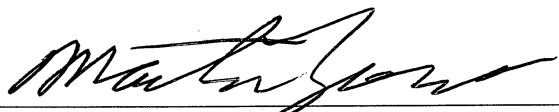
Through August 31, 2020, the TIF #9 Stolp Island Fund is showing a negative fund balance of \$866,944.50 and a negative cash balance of \$924,229.75. This is due to timing of payments made with redevelopment agreements and TIF funds received.

Through August 31, 2020, the Employee Compensation Benefits Fund is showing a negative fund balance of \$98,298.30. This is due to timing of payments made and revenues received.

If there are any questions on the attached report, please contact me by phone at (630) 256-3500 or by email: mslyons@aurora-il.org

CERTIFICATION OF ATTACHED FINANCIAL REPORTS

As required per Illinois Statue 65 ILCS 5/3.1-35-45 I, Martin Lyons, Chief Financial Officer/City Treasurer of the City of Aurora, hereby affirm that I have reviewed the August 31, 2020 year-to-date financial information and reports which, to the best of my knowledge, appear accurate and complete.

A handwritten signature in black ink, appearing to read "Martin Lyons", written over a horizontal line.

Martin Lyons, Chief Financial Officer/City Treasurer

Major Governmental Funds

Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
101	GENERAL	99,978,749.13	107,351,154.23	(7,372,405.10)	24,430,996.06	31,295,332.14
120	EQUIPMENT SERVICES	2,695,959.10	2,581,261.08	114,698.02	479,063.70	479,988.70
209	HOTEL / MOTEL TAX	193,893.37	121,180.10	72,713.27	1,568,641.81	1,532,088.55
401	DEBT SERVICE	6,531,201.48	1,793,895.86	4,737,305.62	7,791,612.83	7,796,453.85
Total Major Governmental Funds		109,399,803.08	111,847,491.27	(2,447,688.19)	34,270,314.40	41,103,863.24

Non-Major Governmental Funds

Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
202	MFT-REBUILD ILLINOIS	4,348,470.52	-	4,348,470.52	4,348,470.52	4,348,470.52
203	MOTOR FUEL TAX	5,450,270.38	3,854,857.99	1,595,412.39	12,013,928.00	15,203,746.39
208	SANITATION	1,528,640.39	1,347,214.90	181,425.49	843,840.11	370,522.40
211	WIRELESS 911 SURCHARGE	515,138.10	1,503,230.45	(988,092.35)	8,112,066.49	7,693,273.12
212	MUNICIPAL MOTOR FUEL TAX	1,057,644.81	-	1,057,644.81	1,976,341.10	1,817,710.18
213	HOME PROGRAM	109.22	-	109.22	24,135.55	24,135.55
214	NEIGHBORHOOD STABILIZATION	152.95	25,604.57	(25,451.62)	5,678.20	5,678.20
215	GAMING TAX	1,705,144.77	3,437,426.79	(1,732,282.02)	924,988.33	5,507,540.37
217	ASSET FORFEITURES-STATE	10,239.85	66,547.73	(56,307.88)	313,047.96	313,264.42
218	ASSET SEIZURE	738.13	-	738.13	33,599.53	147,152.80
219	FOREIGN FIRE INSURANCE TAX	2,981.41	70,972.02	(67,990.61)	448,007.55	448,007.55
220	BLOCK GRANT-INCOME	14,843.50	-	14,843.50	285,940.11	285,940.11
221	BLOCK GRANT	225,452.84	159,483.41	65,969.43	(123,066.60)	(120,066.60)
222	SECTION 108 LOAN	12,789.33	167,000.00	(154,210.67)	(112,681.64)	(151,921.32)
223	TIF #10 GALENA/BROADWAY	203.02	401,992.13	(401,789.11)	(388,581.19)	(222,478.14)
224	TIF #11 BENTON/ RIVER	(1,078.45)	283,333.33	(284,411.78)	(267,745.12)	(267,745.12)
225	TIF #12 OGDEN/75TH	(0.65)	262.50	(263.15)	(263.15)	(263.15)
226	TIF #13 RIVER/GALENA	1,614.15	344,540.27	(342,926.12)	(983,024.12)	(151,019.22)
227	TIF #14 LINCOLN/WESTIN	3,797.13	21,280.78	(17,483.65)	(1,545,526.71)	(42,299.98)
231	TIF #1 FUND-CBD AREA	837,929.29	403,447.33	434,481.96	896,569.74	896,569.74
233	TIF #3 RIVER CITY	805,774.85	131,750.00	674,024.85	1,962,580.37	1,962,580.37
234	TIF #4 FUND-BELL GALE	43,621.40	2,100.00	41,521.40	90,532.10	90,532.10
235	TIF #5 FUND W RIVER AREA	190,200.65	22,847.50	167,353.15	908,770.01	908,770.01
236	TIF #6 FUND E RIVER AREA	660,595.40	111,761.31	548,834.09	1,320,909.61	1,320,909.61
237	TIF #7 W FARNSWORTH AREA	146,403.06	241,562.59	(95,159.53)	900,304.85	637,401.30
238	TIF #8 E FARNSWORTH AREA	1,195,098.99	14,875.00	1,180,223.99	4,046,919.11	4,796,919.11
239	TIF #9 STOLP ISLAND	24,593.35	952,000.00	(927,406.65)	(866,944.50)	(924,229.75)
251	SSA #14 FUND-SULLIVAN	245.06	-	245.06	42,976.68	42,976.68
254	BUSINESS DISTRICT TAX #1	29,035.73	-	29,035.73	29,035.73	29,035.73
255	SHAPE FUND	1,201,926.27	3,399,844.14	(2,197,917.87)	5,189.63	38,316.31
256	EQUITABLE SHARING - JUSTICE	19,105.74	55,033.50	(35,927.76)	1,387,978.12	1,387,978.12
257	EQUITABLE SHARING - TREASURY	216,036.16	-	216,036.16	1,287,270.16	1,287,270.16
262	SSA #24 FUND-EAGLE POINT	24,103.48	-	24,103.48	50,801.04	50,801.04
266	SSA #ONE-DOWNTOWN (94)	44,710.55	-	44,710.55	144,209.23	144,209.23
275	SSA# 34 OSWEGO	212,365.38	5,925.00	206,440.38	258,198.00	258,198.00
276	SSA# 44 BLACKBERRY TRAIL	15,435.51	-	15,435.51	16,290.17	16,290.17
280	STORMWATER MGMT FEE FUND	2,165,567.31	1,010,645.91	1,154,921.40	6,047,557.62	7,811,333.43
281	LTCP FEE	1,533,974.08	1,133,983.22	399,990.86	3,063,082.78	3,071,964.30
311	WARD #1 PROJECTS FUND	60,203.07	3,912.45	56,290.62	579,125.54	579,125.54
312	WARD #2 PROJECTS FUND	53,530.70	36,288.14	17,242.56	353,725.59	354,675.59
313	WARD #3 PROJECTS FUND	52,154.83	12,239.21	39,915.62	412,979.91	412,979.91
314	WARD #4 PROJECTS FUND	61,615.22	6,204.61	55,410.61	556,190.27	556,190.27
315	WARD #5 PROJECTS FUND	52,777.26	45,129.05	7,648.21	478,441.12	478,441.12
316	WARD #6 PROJECTS FUND	58,964.51	59,279.78	(315.27)	387,552.17	387,562.17
317	WARD #7 PROJECTS FUND	50,563.10	20,186.75	30,376.35	131,138.02	131,138.02
318	WARD #8 PROJECTS FUND	54,155.71	4,870.00	49,285.71	532,170.23	531,071.72
319	WARD #9 PROJECTS FUND	54,752.49	85,176.06	(30,423.57)	788,094.16	790,169.16
320	WARD #10 PROJECTS FUND	50,850.67	10,050.00	40,800.67	183,789.06	183,789.06
340	CAPITAL IMPROVEMENTS FUND	1,504,332.86	2,005,348.58	(501,015.72)	7,800,903.71	8,660,790.81
342	2008B TIF BOND PROJ TIF 3	6,301.56	-	6,301.56	1,613,319.96	1,613,319.96
345	KANE / DUPAGE FIRE IMPACT FEE	40,531.86	-	40,531.86	361,413.96	361,413.96
346	KENDALL / WILL FIRE IMPACT FEE	10,672.60	-	10,672.60	818,944.80	818,944.80
347	PUBLIC WORKS IMPACT FEE	1,075.01	-	1,075.01	187,890.17	187,890.17
353	2017 GO BOND PROJECT	230,822.93	458,128.16	(227,305.23)	5,618,472.70	6,109,080.01
Total Non-Major Governmental Funds		22,238,707.52	21,916,335.16	4,670,842.88	63,957,066.22	76,845,585.49

Enterprise Funds

Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
504	AIRPORT	535,002.20	517,862.17	17,140.03	1,623,456.47	1,624,170.01
510	WATER & SEWER	24,801,840.91	16,272,171.90	8,529,669.01	34,035,032.21	25,075,890.15
520	MOTOR VEHICLE PARKING	452,975.50	511,773.61	(58,798.11)	195,849.33	203,099.17
530	TRANSIT CENTER	707,826.06	1,167,717.02	(459,890.96)	81,409.84	138,868.50
550	GOLF	680,737.60	553,742.49	126,995.11	1,106,282.10	1,129,766.54
Total Enterprise Funds		27,178,382.27	19,023,267.19	8,155,115.08	37,042,029.95	28,171,794.37

Internal Service Funds

Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
601	PROPERTY & CASUALTY INSURANCE	3,915,370.97	(544,401.57)	4,459,772.54	7,806,434.40	7,975,713.24
602	EMPLOYEE HEALTH INSURANCE	12,814,439.25	11,672,726.54	1,141,712.71	4,481,199.49	5,013,681.42
603	EMPLOYEE COMP BENEFITS	1,785,329.26	2,141,167.60	(355,838.34)	(98,298.30)	20,016,916.84
Total Internal Service Funds		18,515,139.48	13,269,492.57	5,245,646.91	12,189,335.59	33,006,311.50

Fiduciary Funds

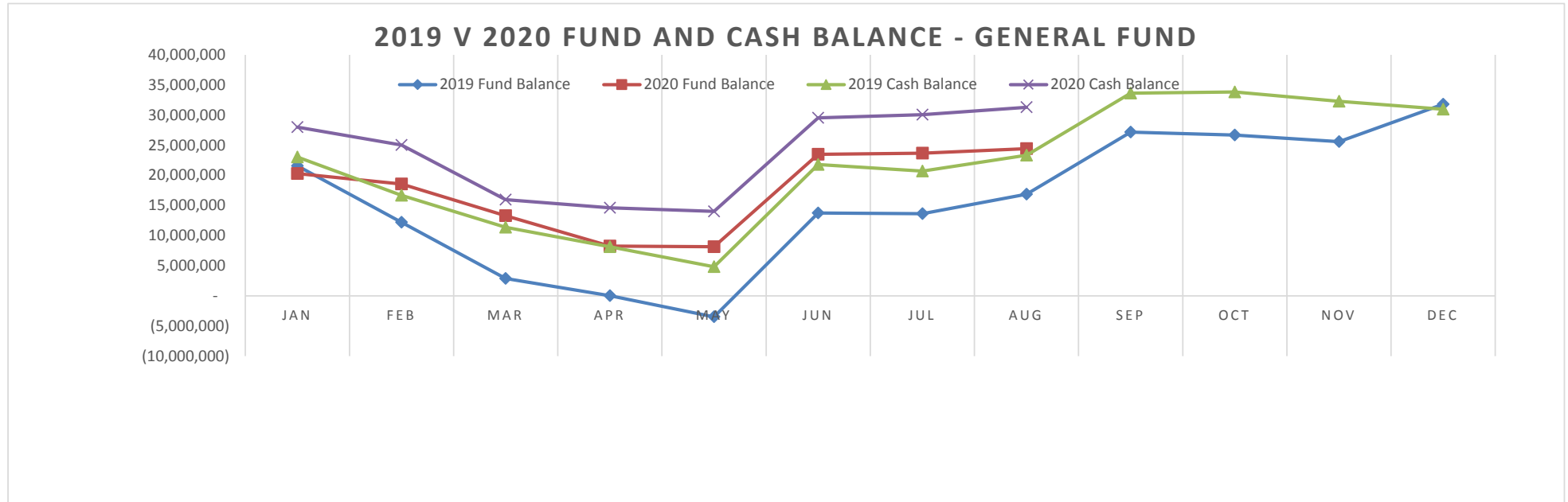
Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
731	SECT 125 MEDICAL CARE	142,748.91	146,421.55	(3,672.64)	40,901.37	40,921.07
732	SECT 125 DEPENDENT CARE	37,209.89	26,005.17	11,204.72	32,163.29	32,163.29
733	LIBRARY FLEX ACCOUNT	9,861.85	6,783.26	3,078.59	7,409.56	7,409.56
741	POLICE CHARITABLE	16.45	-	16.45	2,822.16	2,822.16
Total Fiduciary Funds		189,837.10	179,209.98	10,627.12	83,296.38	83,316.08

Component Unit (Library)

Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
210	LIBRARY	8,217,201.19	6,429,456.88	1,787,744.31	7,754,976.79	7,493,881.17
310	LIBRARY C.P./ TECHNOLOGY	1,199.12	-	1,199.12	202,187.49	202,187.49
410	LIBRARY BOND & INTEREST	693,936.10	303,159.38	390,776.72	539,574.22	541,065.58
Total Component Unit (Library) Funds		8,912,336.41	6,732,616.26	2,179,720.15	8,496,738.50	8,237,134.24
GRAND TOTAL		186,434,205.86	172,968,412.43	17,814,263.95	156,038,781.04	187,448,004.92

2019 v 2020 Fund and Cash Balance - General Fund

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019 Fund Balance	21,582,665	12,225,986	2,897,259	30,952	(3,488,050)	13,769,615	13,625,115	16,874,961	27,175,259	26,705,651	25,593,818	31,803,401
2020 Fund Balance	20,296,774	18,554,025	13,287,167	8,253,615	8,156,077	23,505,466	23,693,196	24,430,996				
2019 Cash Balance	23,035,260	16,697,068	11,387,639	8,163,115	4,827,511	21,804,335	20,691,500	23,357,033	33,655,768	33,840,849	32,302,763	30,988,432
2020 Cash Balance	27,998,289	25,036,413	15,968,167	14,612,766	14,023,168	29,550,458	30,091,210	31,295,332				



Note: The fund balance changes drastically throughout the year because the timing of revenues received is inconsistent throughout the year, while expenses stay fairly consistent. Below are fund balance averages for 2019 and 2020, with a percentage of annual expenditures to the annual budget.

2019 Average Fund Balance	15,733,053
2020 YTD Average Fund Balance	17,522,164
2019 Expenses v Budget	99%
2020 YTD Expenses v Budget	55%

City Of Aurora
YTD Variance Report
August 31, 2020

	<u>FY 2019 Budget</u>	<u>FY 2019 Actual</u>	<u>Over / (Under)</u> <u>\$</u>	<u>%</u> <u>Variance</u>	<u>FY 2020 Budget</u>	<u>FY 2020 YTD</u>	<u>%</u> <u>YTD</u>
OPERATING GENERAL FUND REVENUES							
Property Taxes	73,388,700	73,979,836	591,136	0.81%	76,956,700	43,339,752	56%
Other Taxes	62,774,000	65,717,249	2,943,249	4.69%	65,245,000	26,737,341	41%
Licenses, Permits and Fees	6,199,500	6,767,837	568,337	9.17%	7,910,325	2,741,841	35%
Intergovernmental Revenue	24,361,500	26,763,847	2,402,347	9.86%	27,543,400	18,795,681	68%
Charges for Services	7,863,350	8,781,622	918,272	11.68%	11,149,700	5,186,239	47%
Special Assessments	3,730,350	4,648,855	918,505	24.62%	3,780,651	1,865,604	49%
Investment Income	279,601	647,371	367,770	131.53%	312,601	241,983	77%
Interfund Transfers	3,001,000	3,038,520	37,520	1.25%	1,601,000	1,070,309	67%
TOTAL GENERAL FUND REVENUE	<u>181,598,001</u>	<u>190,345,138</u>	<u>(8,747,137)</u>	<u>(4.82%)</u>	<u>194,499,377</u>	<u>99,978,749</u>	<u>51%</u>
OPERATING GENERAL FUND EXPENSES							
00 Non-Departmental	270,000	270,000	-	0.00%	270,000	180,000	67%
10 Executive	7,267,259	6,498,973	(768,286)	(10.57%)	7,404,934	3,239,592	44%
11 Law	1,281,216	1,050,554	(230,662)	(18.00%)	1,226,240	617,194	50%
13 Innovation & Core Services	12,555,687	9,957,538	(2,598,149)	(20.69%)	13,945,148	7,126,217	51%
18 Development Services	10,503,698	9,989,077	(514,621)	(4.90%)	10,990,782	5,048,002	46%
25 Finance	3,851,507	3,751,045	(100,462)	(2.61%)	3,997,144	2,232,771	56%
30 Fire	49,861,757	51,788,373	1,926,616	3.86%	53,980,384	31,585,475	59%
35 Police	76,705,781	79,645,546	2,939,765	3.83%	81,825,358	47,472,608	58%
40 Public Works	7,785,127	6,600,098	(1,185,029)	(15.22%)	8,783,579	3,679,672	42%
44 Public Properties	12,431,015	11,979,465	(451,550)	(3.63%)	13,160,603	6,169,622	47%
TOTAL GENERAL FUND EXPENSE	<u>182,513,047</u>	<u>181,530,670</u>	<u>(982,377)</u>	<u>(0.54%)</u>	<u>195,584,172</u>	<u>107,351,154</u>	<u>55%</u>
NET SURPLUS / (DEFICIT)	(915,046)	8,814,468			(1,084,795)	(7,372,405)	
BEGINNING FUND BALANCE		22,988,933				31,803,401	
ENDING FUND BALANCE		<u>31,803,401</u>				<u>24,430,996</u>	