

PUSH BUTTON



TO CROSS

WAGNOLIA AVE



CITY OF AUBURN, AL
POPULAR ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2019



City of Auburn

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A message to the Citizens of Auburn, Alabama:

I am pleased to present the City of Auburn's Popular Annual Financial Report (PAFR) for the year ended September 30, 2019. The City began Fiscal Year 2019 under the vision of its newly elected Mayor, Ron Anders, Jr., and the newly elected City Council, whom set out to achieve many new efforts and initiatives for our community. It has been my goal over the last year to align the City Management Team and City Staff to make progress towards those goals and initiatives.

In Fiscal Year 2019, the City experienced another year of strong and sustained revenue growth, primarily reflective of our local economy and the overall growth in our community. We have been fortunate that strong revenues have allowed us to make significant capital investments and improvements to the City of Auburn's infrastructure, neighborhoods, downtown and recreation facilities. Each year the City publishes a 6-year Capital Improvement Plan (CIP) that aligns with the City's Strategic Plans and vision of our City Council. In fiscal year 2019 the City completed 20 major CIP projects as outlined on pages 13 and 14 of this report. Our continued commitment to operating a fiscally sound local government allows the City of Auburn to provide quality public services at a level commensurate with the demands of our residents.

It is my hope that this PAFR provides you with a better understanding of the City of Auburn's financial position as well as demonstrates what makes Auburn a great place to live, work and raise children. This report includes information about the City of Auburn's organizational structure, strategic goals, community profile, capital projects and summary financial information.

The financial data presented in the PAFR is derived from the Comprehensive Annual Financial Report (CAFR) and is consistent with Generally Accepted Accounting Principles (GAAP). The PAFR is designed to present an easy-to-read financial summary showing the source of the City's revenues and explaining how these revenues are spent. The PAFR also includes information on the City's fund balance, assets and liabilities. The PAFR is not a replacement for the CAFR and is intended for readers who would like to view the City's financial information in an overview format. The PAFR primarily focuses on the General Fund while excluding the City's discretely presented component units. For those who are interested in additional financial detail, you can find a copy of the CAFR online at: auburnalabama.org/CAFR.

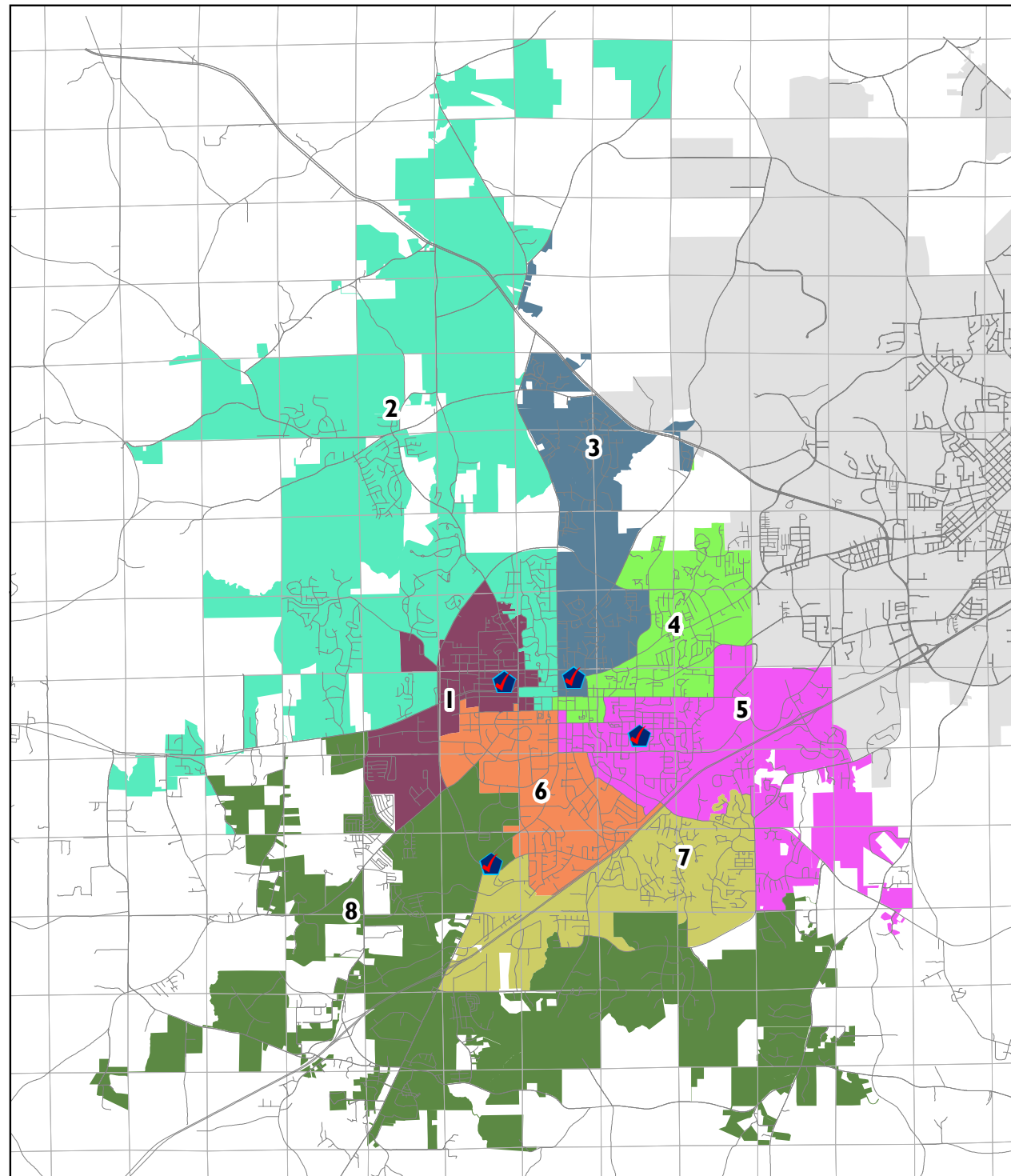



We are proud to serve the Auburn community and are committed to maintaining a high standard of financial health. Thank you for taking the time to read this year's report. I invite you to share any questions or comments you may have by emailing me at jbuston@auburnalabama.org.

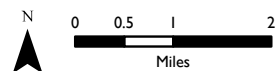
Sincerely,

James C. Buston, III
City Manager
City of Auburn, Alabama

WARD
MAP



 Voting Location



GIS Division
05/08/2019

The City of Auburn, Alabama does not guarantee or warrant the accuracy of this map or any information contained herein. Information may contain errors and should be verified by an appropriately qualified, licensed and independent professional.

MEET YOUR
COUNCIL



Ron Anders, Jr.
Mayor

randers@auburnalabama.org



Connie Fitch Taylor
Ward 1

ctaylor@auburnalabama.org



Kelley Griswold
Ward 2

kgriswold@auburnalabama.org



Beth Witten
Ward 3 & Mayor Pro Tem

bwitten@auburnalabama.org



Brett Smith
Ward 4

basmith@auburnalabama.org



Steven Dixon
Ward 5

sdixon@auburnalabama.org



Bob Parsons
Ward 6

bparsons@auburnalabama.org



Jay Hovey
Ward 7

jhovey@auburnalabama.org



Tommy Dawson
Ward 8

tdawson@auburnalabama.org

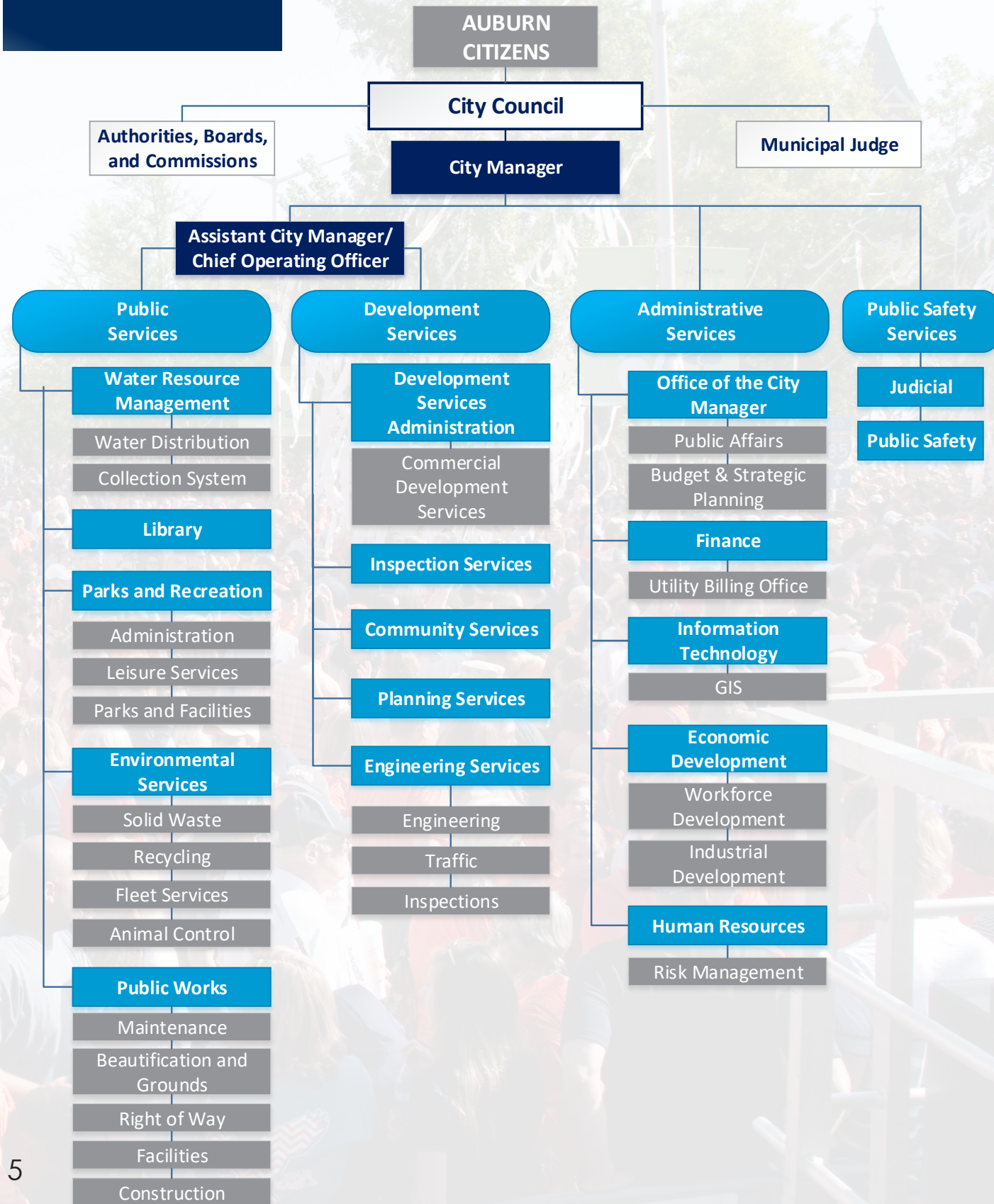
The Auburn City Council typically meets the first and third Tuesday of every month at 7:00p.m. The full meeting schedule and location can be found at

auburnalabama.org/boards-and-commissions/meeting-schedule/

All City Council meetings are recorded and can be watched on the City Council's website:

auburnalabama.org/agenda

ORGANIZATION CHART



FISCAL YEAR 2019 ACCOMPLISHMENTS



JAY AND SUSIE GOGUE PERFORMING ARTS CENTER

Through a continuous partnership with Auburn University, the City of Auburn Public Works crews led efforts to reconstruct the medians and install new landscaping in front of the Jay and Susie Gogue Performing Arts Center.

LIVE-STREAMED, LIVE-CAPTIONED CITY COUNCIL MEETINGS

At the City Council's request, the City began live-streamed, live-captioned council meetings on YouTube, Facebook, the radio, and auburnalabama.org for improved citizen communication and transparency.



KEEP AUBURN BEAUTIFUL NEIGHBORHOOD CLEANUP PROJECT

Through our annual Keep Auburn Beautiful Neighborhood Cleanup Project, 5 City departments came together to help improve a section of northwest Auburn. This included: collection of 5.5 tons of bulky yard debris; distributing oak trees for planting; cleaning curbs; inspecting, painting and testing 22 fire hydrants; mowing grass; collecting litter; sweeping the streets; and repairing sidewalks and making them more accessible for everyone on Boykin and Foster Streets, which included 111 yards of poured concrete.



CURBSIDE RECYCLING PROGRAM

Environmental Services distributed 7,560 recycling containers, purchased through grant funding, throughout the City to further enhance the free curbside recycling program. Through these efforts, the City is able to reduce the amount of waste hauled to landfills and increase recycling participation.

BOND RATING

The City's Bond Rating was once again affirmed by rating agencies. We received an AA+ rating from S&P and Aa2 rating from Moody's. These ratings reaffirm the stable and sound management practices and careful long-term planning that involves work from every City department.

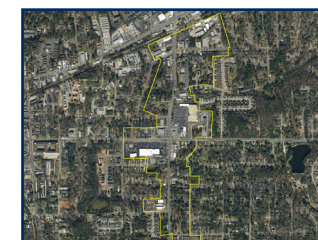


PILOT PROGRAM TO COMPOST LEAF DEBRIS

The Public Works Department initiated a pilot program to compost leaf debris collected at the curb, reducing waste disposal costs and providing a product that supports flower beds and planting areas at City facilities.

HARPER AVENUE FOCUS AREA STUDY

The Planning Services Department completed the Harper Avenue Focus Area Study and the Glenn/Dean Focus Area Study, both of which yielded changes to the City's zoning ordinance.



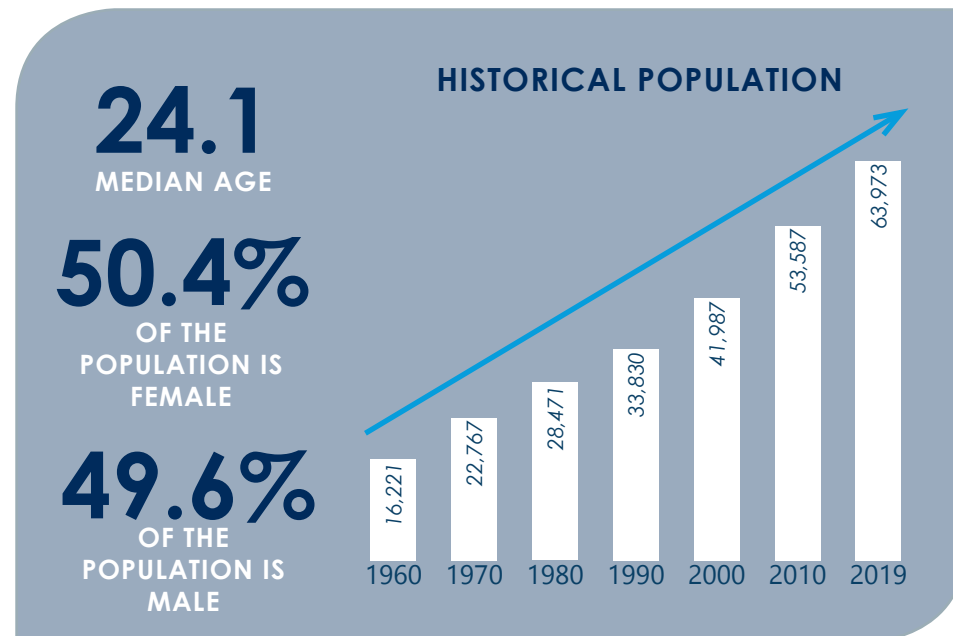
INSPECTION SERVICES

The Inspection Services Department completed over 23,000 inspections, 31% of which were commercial developments and 69% of which were residential. This means our inspectors completed an average of 89 inspections a day throughout the year to make sure developments are meeting the standards they should be to create safe, reliable housing and businesses in our community.

COMMUNITY
PROFILE

FOUNDED IN **1836**

| POPULATION: 65,738



LABOR
FORCE:
30,657



EMPLOYED:
29,606



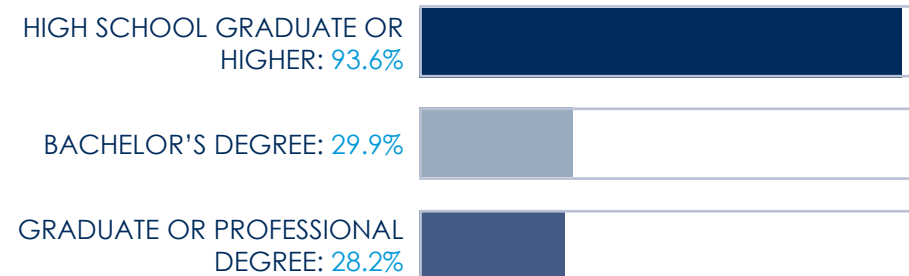
UNEMPLOYMENT
RATE:
3.4%



MEAN FAMILY
INCOME:
\$104,898

U.S. Census Bureau

| EDUCATIONAL ATTAINMENT (POPULATION 25 YEARS & OLDER)



U.S. Census Bureau

TO VIEW THE FULL COMMUNITY PROFILE VISIT:
AUBURNALABAMA.ORG/ECONOMIC-DEVELOPMENT/AUBURN-COMMUNITY-PROFILE/

AUBURN'S NATIONAL
RECOGNITION

Forbes 2019: "13TH BEST SMALL PLACES FOR BUSINESS AND CARERS"

2018: "THE SOUTH'S 2ND BEST COLLEGE TOWN" **Southern Living**



MILKEN INSTITUTE

2018: "10TH BEST PERFORMING CITY FOR ECONOMIC GROWTH IN THE U.S."

2018: "TOP 100 BEST PLACES TO LIVE IN THE U.S." **LIVABILITY**



USA TODAY 2017: "16TH BEST CITY FOR JOB CREATION IN THE U.S."

2017: "2ND BEST ZIP CODE TO LIVE IN ALABAMA" **NICHE**



POLAR PLUNGE: JANUARY

Sign up, dive in, and raise money for a great cause. Recruit sponsors to support you as you brave the cold and take the plunge in support of the Lee County Special Olympics!

DADDY DAUGHTER DATE NIGHT: FEBRUARY

For 31 years, Auburn has hosted a Daddy-Daughter Date Night with five different nights of refreshments, door prizes, dance contests, and keepsake photos. Daughters, dads, granddads, and uncles are invited to dance the night away and create an evening of lifetime memories.

BARK IN THE PARK: MARCH

Bring your favorite four-legged friend and enjoy a variety of educational booths, shop with local pet vendors, and enjoy door prizes and dog friendly activities all morning! Looking to expand your canine family? Rescue dogs will be available for adoption as well!

EASTER EGG HUNT: APRIL

Our Easter Egg Hunt is one of the largest in Lee County, with over 35,000 eggs hidden over four acres! With different hunting grounds for each age group, it is sure to be a blast for the whole family. Join us for live entertainment, free balloons and sodas and a chance to meet the Easter bunny!

AUBURN CITY FEST: MAY

CityFest is a fun family day filled with food, community, and entertainment. This is Auburn's largest free outdoor festival, featuring over 100 arts and craft vendors, and local food and nonprofit vendors.

SUMMERNIGHT DOWNTOWN ART WALK: JUNE

The Sumernight Downtown Art Walk is a downtown entertainment district event, free to the public and takes place rain or shine! The Art Walk features works by local artists, live musical entertainment, children's activities, and a strawberry culinary contest!

INDEPENDENCE DAY CELEBRATION: JULY

Celebrate Independence Day with the entire Auburn community. Bring your family to enjoy the best fireworks display in the area, free goodies, fun music, inflatables, and free cyber game truck adventures!

FRIGHT NIGHTS MOVIE SERIES: OCTOBER

From music, kids' activities, and an evening of spooky movies to get you in the Halloween spirit, there's plenty for everyone. We encourage you to bring blankets, chairs, and picnic dinners to enjoy the movies!

DOWNTOWN TRICK OR TREAT: OCTOBER

Come visit our downtown merchants for trick-or-treat candy and goodies! Enjoy a live DJ, balloon animals, face painting, and so much more. Enter the costume contest and make sure to get a photo with Aubie!

HOLIDAY ART SALE: DECEMBER

Get in the holiday spirit by attending this festive shopping experience. The Holiday Art Sale is a great place to get a head start on your Christmas shopping while meeting local artists selling their own unique handmade work.

JINGLE JOG/SANTA STROLL: DECEMBER

Pull out your ugly Christmas sweaters for the Jingle Jog 5k and Santa Stroll Fun Run! Join us to ring in the holiday season in style!

FOR MORE INFORMATION ON DATES AND EVENTS VISIT:
AUBURNALABAMA.ORG/PARKS/EVENTS-AND-CALENDAR
TO SIGN UP FOR PARKS & RECREATION LEISURE LINK VISIT:
AUBURNALABAMA.ORG/ENOTIFIER



WHO SHOULD I CALL?

**Garbage, Trash, & Recycling
Environmental Services**

334-501-3080
webenvirsv@auburnalabama.org

**Utility Billing
Finance, Utility Billing Office**

334-501-3050
serviceorders@auburnalabama.org

**Water Service
Water Resource Management**

334-501-3060
After Hours: 334-501-3100
webwtrswr@auburnalabama.org

**Animal Control
Environmental Services**

334-501-3090
After Hours: 334-501-3100
webenvirsvc@auburnalabama.org

**Library Programs & Services
Auburn Public Library**

334-501-3190
weblibrary@auburnalabama.org

**Rent a Parks & Rec Facility
Parks & Recreation**

Sarah Derrick, 334-501-2934
sderrick@auburnalabama.org

**Athletics
Parks & Recreation**

Houston Manning, 334-501-2942
hmanning@auburnalabama.org

**Recreational Programs
Parks & Recreation**

Ann Bergman, 334-501-2936
abergman@auburnalabama.org

**Report Right-Of-Way Issues
Public Works**

334-501-3000
webpw@auburnalabama.org

**Request Sidewalk or Traffic Calming
Engineering Services**

334-501-7390
serviceorders@auburnalabama.org

**Report a Street Light Outage
Alabama Power**

1-800-245-2244
customerservice2.southerncompany.com/
outages/report

Public Safety

Emergencies: 911
Non-Emergency: 334-501-3100
Anonymous Tip Line: 334-246-1391
webpubsfty@auburnalabama.org

**Cemeteries
Parks & Recreation**

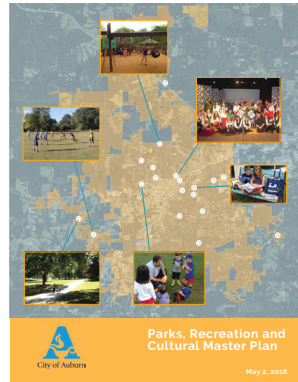
Sari Card, 334-501-2933
scard@auburnalabama.org

**CAN'T FIND WHAT YOU'RE
LOOKING FOR?**

**CITY HALL
334-501-7260**

webocm@auburnalabama.org

**144 Tichenor Avenue
Auburn, AL 36830**



Parks, Recreation, and Cultural Master Plan

The purpose of the Auburn Parks, Recreation and Cultural Master Plan (PRCMP) is to provide a comprehensive look at the City of Auburn parks and recreation and public library system. This comprehensive plan will help to focus upgrades to the quality of the City's parks, recreation, arts and cultural programming, library, greenspace, greenways, trails, facilities, landscape, and natural features.

Northwest Auburn Neighborhood Plan

The Northwest Auburn Neighborhood Plan is a roadmap for the future of northwest Auburn developed by and for its residents. Ultimately, the plan provides a guide to enhance northwest Auburn's attractiveness, walkability and vitality while maintaining the unique heritage and character of the neighborhood.

CompPlan 2030

CompPlan 2030 is the City of Auburn's plan for future growth and development over the next 20 years and provides recommendations for the future based on public input, analysis of existing and future conditions, and the best practices of planning.

Downtown Parking Plan

The Downtown Parking Plan is a detailed outline for how parking will be improved in the downtown area to better serve the Auburn residents and the growing number of visitors.

Renew Opelika Road Plan

The purpose of the Renew Opelika Road Plan is to revitalize and redevelop one of the City's most important corridors. The Opelika Road Corridor extends from Gay Street on the west to the City Limits on the east, and was identified as a key corridor in need of redevelopment.

Downtown Master Plan

Auburn's Downtown Master Plan aims to expand the current urban core southward and westward and to develop a unified vision that serves all Auburn residents.

Auburn 2020

Auburn 2020 is a long-range plan that was adopted in 2000 with the purpose of guiding the future of the City and setting forth new goals, policies, and programs for encouraging and influencing positive change through the year 2020. The reports focus on the areas of Education, Growth and Development, Intergovernmental Relations, Transportation, Utilities and Technology, Family and Community and Public Safety. The City of Auburn will be providing a recap on the goals and initiatives achieved that were set out in this plan as we approach 2020.

Auburn 2040

The City of Auburn is preparing for Auburn's next great community planning effort, **Auburn 2040**. More information is coming soon about this new plan.



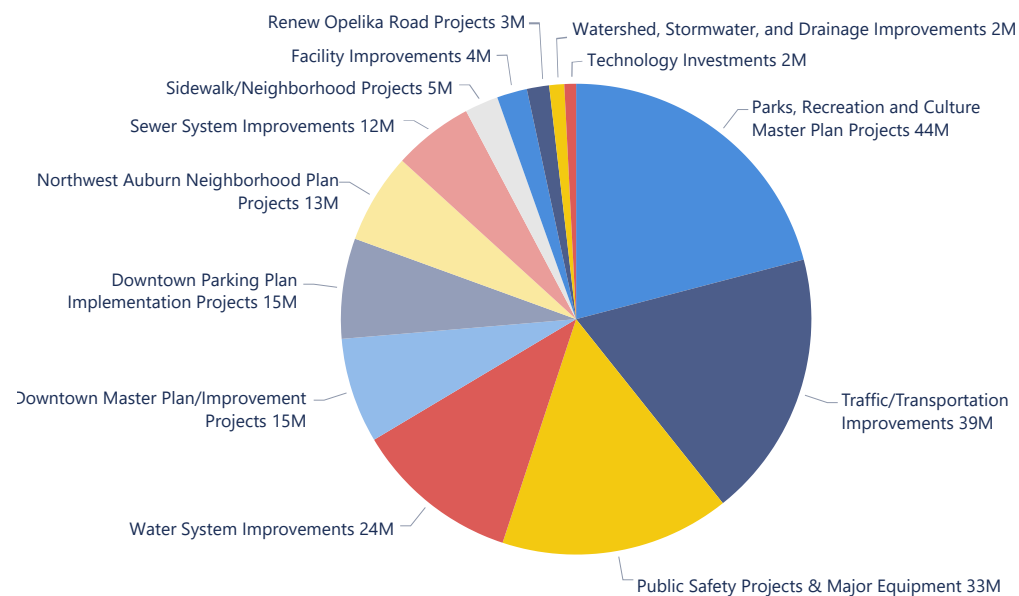
- Consultants began construction of the Library Outdoor Classroom (later completed in December of 2019.)
- The City contracted with consultants to design the first phase of the Parks, Recreation, and Cultural Master Plan projects, including: Dinius Park, Town Creek Inclusive Playground, and the Sam Harris Park & Westview Greenway project.
- Sidewalk, lighting, and park improvements were completed in the Northwest Auburn neighborhood in accordance with the Northwest Auburn Neighborhood Plan. The construction includes the new pedestrian bridge at Sam Harris Park and extending the sidewalk along Pleasant Avenue.
- Design of the Boykin Community Center Phase II project in collaboration with Auburn University continued throughout fiscal year 2019.
- The City hired consultants to begin the design of the Wright Street Parking Deck.
- The project will achieve the construction of a new structured parking facility in the urban core as set forth in the Downtown Parking Plan.
- Staff worked with a consultant to begin the design of the Renew Opelika Road Phase 4 project from Saugahatchee Road to Gentry Drive and plan for construction to start in fiscal year 2020.
- In collaboration with Auburn University, the City contributed to the completion of the landscaping along the university's new South College Parking Deck.
- The City began construction of streetscape improvements for the Gay Street, Mitcham Avenue, North College Street and Glenn Avenue corridors. Improvements included new pedestrian crosswalks, street repaving, sidewalk improvements, and upgraded street lighting.



"As with Auburn 2020, it will take hundreds of residents to help us form this vision of our 2040 community. We'll look candidly at the issues and opportunities we must pursue proactively to be successful. We'll develop a vision addressing how we want to grow and develop and how we can maintain and improve our city services. We'll look at how we can be even more business friendly. I look forward to working with our Council and our staff and as many of you as will participate in this endeavor. **Because we're all in this together.**"
- Mayor Ron Anders, Jr., *State of the City Address*

SIX YEAR
PLAN

The City's multiple strategic plans, as outlined on previous pages of this report, guide the development of the 6-Year Capital Improvement Plan (CIP), which outlines major capital investments over the next six planning years. All projects are carefully reviewed and approved by the City Council and are funded based on prioritization. The CIP guides the City's decisions regarding debt issuance and capital budgeting and is a critical part of the City's biennial budget. Capital investments are outlined in the chart below by project type for fiscal year 2019 through and including fiscal year 2024.



Funding by Project Type

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	TOTAL
Sidewalk/Neighborhood Projects	1,456,634	800,000	486,000	115,000	539,000	1,288,000	4,684,634
Downtown Master Plan/Improvement Projects	4,261,200	6,084,000	3,091,000	1,786,500	-	-	15,222,700
Downtown Parking Plan Implementation Projects	2,012,375	11,087,625	606,660	606,660	200,000	-	14,513,320
Renew Opelika Road Projects	200,000	1,375,265	1,650,000	-	-	-	3,225,265
Northwest Auburn Neighborhood Plan Projects	451,501	2,357,304	4,661,000	4,650,595	350,000	600,000	13,070,400
Technology Investments	835,267	527,644	-	-	180,000	-	1,542,911
Public Safety Projects & Major Equipment	13,591,695	12,575,000	6,554,465	500,000	-	-	33,221,160
Parks, Recreation and Culture Master Plan Projects	2,646,407	12,790,576	12,138,097	3,309,167	341,667	12,681,285	43,907,199
Facility Improvements	1,320,793	1,455,000	1,150,000	150,000	150,000	150,000	4,375,793
Traffic/Transportation Improvements	5,851,349	5,951,676	7,515,000	6,745,000	6,015,000	6,015,000	38,093,025
Watershed, Stormwater & Drainage Improvements	142,138	550,000	120,000	908,000	350,000	100,000	2,170,138
Sewer System Improvements	610,000	5,940,000	2,775,000	725,000	725,000	725,000	11,500,000
Water System Improvements	5,530,000	4,140,000	11,460,000	2,205,000	650,000	-	23,985,000
TOTAL	38,909,359	65,634,090	52,207,222	21,700,922	9,500,667	21,559,285	

A note on funding sources: projects that appear on the 6-Year Capital Improvement Plan are paid for through a variety of funding sources, including: General Fund, current and planned borrowing, other city funds, grant funds, development agreement funds, Sewer Fund, and funds managed by the Water Works Board of the City of Auburn.

BE SURE TO CHECK OUR MONTHLY CAPITAL IMPROVEMENT PLAN PROJECT UPDATE PUBLICATION, WHICH CAN BE FOUND, ALONG WITH THE FULL 6-YEAR CAPITAL IMPROVEMENT PLAN ON THE FOLLOWING WEBSITE:

AUBURNALABAMA.ORG/BUDGET

CAPITAL CONSTRUCTION PROJECTS
COMPLETED IN 2019

20 COMPLETED PROJECTS

6 SIDEWALK, STREETLIGHT, AND STREETScape PROJECTS

5 FACILITY PROJECTS

3 TRAFFIC, TRANSPORTATION, AND PARKING PROJECTS

2 PARK IMPROVEMENT PROJECTS

2 WATER SYSTEM IMPROVEMENT PROJECTS



South College Streetscape Improvements

In coordination with the Jay and Susie Gogue Performing Arts Center at Auburn University, streetscape and landscape improvements were made to South College Street from Donahue Drive to Woodfield Drive.



Bocce Ball Courts at Martin Luther King Park

Donations were made for installation of two Special Olympic-sized bocce courts at Martin Luther King Park which includes a canopy, bleachers, and bleacher pad. The City of Auburn partnered with Auburn University Building Science students to design and construct the court.



Richland Road Improvements

Improvements were made to Richland Road to widen it from Richland Elementary School to Shug Jordan Parkway. This project also included the addition of a deceleration lane at South Yarbrough Farms.



FINANCIAL HIGHLIGHTS

CITY FINANCES

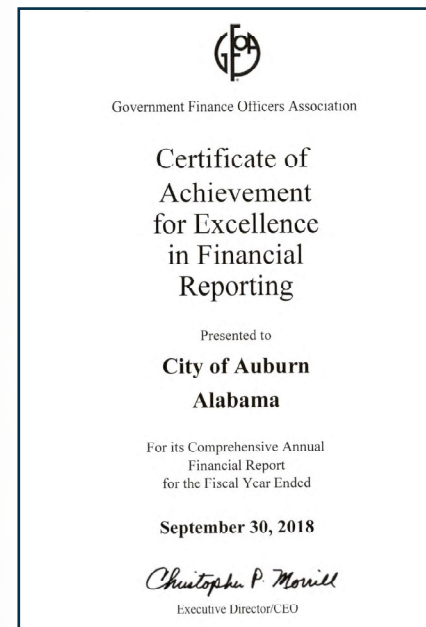
The previous pages of this document provided information on the profile of the City of Auburn. The remainder of the document will focus on the City of Auburn's financial information for the fiscal year ended September 30, 2019.

It is the mission of the City of Auburn to provide economical delivery of quality services, created and designed in response to the needs of its citizens, rather than by habit or tradition. One of the ways the City aims to achieve this is by operating an adequately funded city government in a financially responsible and fiscally sound manner.

Please note that any reference to the General Fund includes the City's general operating fund, employee benefit self-insurance fund, risk liability retention fund, and assessment fund.

As part of the City's continuous effort to keep its citizens informed on how tax dollars are spent, the following pages provide unaudited, summarized information about the financial activities of the City of Auburn. This summary information is prepared from the City's 2019 Comprehensive Annual Financial Report (CAFR).

The CAFR conforms to the Generally Accepted Accounting Principles (GAAP) and includes audited financial statements and related information provided in a detailed narrative format. The GAAP-basis presentation of the CAFR includes the City of Auburn's Component Units (related organizations) and information about all of the City's individual funds. The CAFR is available at City Hall, the Auburn Public Library and online at auburnalabama.org/cafr.



The Government Finance Association (GFOA) of the United States and Canada has given a Certificate of Achievement for Excellence in Financial Reporting to the City of Auburn, Alabama for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018. The Achievement for Excellence in Financial Reporting is a prestigious national award recognizing conformance within the highest standards for preparation of state and local government comprehensive reports.

WHERE THE MONEY COMES FROM

The City of Auburn has five top revenue sources that provide over 90.0% of revenue for the City's General fund. As is typical in the State of Alabama, sales and use taxes are the largest revenue source in the City's General Fund, providing 43.2% of revenue in fiscal 2019. The total sales tax rate for purchases made in the City is 9%, which is comprised of 4% for the State of Alabama, 4% for the City of Auburn, and 1% for Lee County.

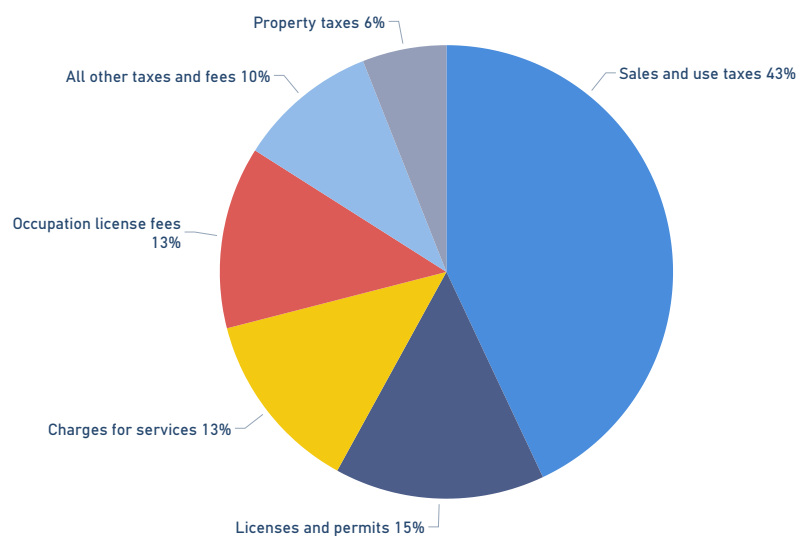
The second largest source for the General Fund is licenses and permits. This revenue source includes franchise fees, general business licenses, constructions permits and fees, and residential and commercial rental license fees. Licenses and permits provided \$15.2 million (15.0%) of the General Fund's revenue in 2019.

In fiscal 2019, occupation license fees (OCC) provided \$13.3 million (13.1%) of the General Fund's revenue. OCC is assessed at 1% of gross wages earned within Auburn's city limits. Contributing \$12.9 million (12.7%) to the City's General Fund is charges for services, while general property taxes contributed \$6.2 million (6.2%).

Total revenue for the General Fund (summarized below) increased by \$9.6 million (10.5%) in fiscal 2019 as compared to 2018.

General Fund Revenue Summarized - Fiscal Year 2019:

Sales and Use taxes	\$43,804,081
Licenses and Permits	\$15,188,191
Occupation License Fees	\$13,286,009
Charges for Services	\$12,863,016
Property Taxes	\$6,231,852
All other taxes and fees	\$9,916,130
Total	\$101,289,279



WHERE THE MONEY GOES

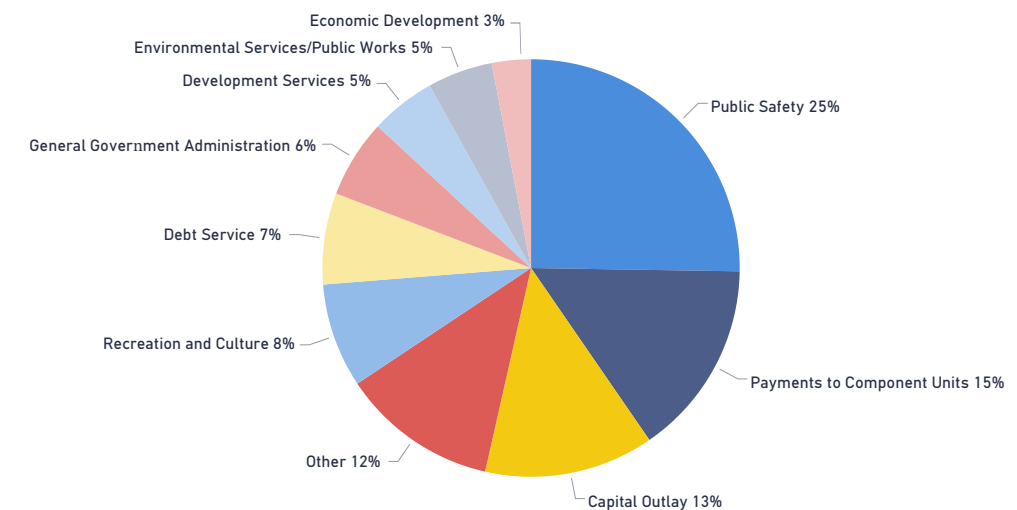
Once the government collects taxes and other revenues, the resources must be spent efficiently to provide essential services to citizens and businesses. The General Fund finances the regular day-to-day operations of the City and is the primary focus of this section.

General Fund Expenditures FY2019

	Total	Per Capita
Public Safety	\$24,372,078	\$370.75
*Payments to Component Units	\$14,370,572	\$218.60
**Capital Outlay	\$12,854,764	\$195.55
Recreation and Culture	\$8,114,471	\$123.44
Environmental Services/Public Works	\$5,109,438	\$77.72
Development Services	\$5,118,011	\$77.85
Debt Service	\$6,990,648	\$106.34
General Government/Administration	\$5,676,641	\$86.35
Economic Development	\$3,364,801	\$51.19
Human Resources	\$6,798,012	\$103.41
Other	\$4,477,767	\$68.12
Total	\$97,247,197	\$1,479.32

* Includes approximately \$13 million each fiscal year of direct education funding disbursed to Auburn City Schools.
 ** Includes infrastructure, parks, facilities, and capital equipment above a threshold of \$5,000.

During fiscal year 2019, the City of Auburn spent its General Fund as shown in the chart to the left and in the pie chart below. The total amount represents the aggregate amount spent, while the per capita amount represents the amount spent on each type of service per resident based on a population of 65,738. Public Safety represents the largest total and per capita expenditure for the City.



General Fund tax and license revenue support the following services to the Citizens of Auburn: police, fire and 911 operations; parks and facility maintenance, recreation programs; library services and programs; infrastructure and right of way maintenance; planning services; engineering and inspection services; animal control; traffic control; economic development and administration. Other services provided to citizens, such as garbage, yard waste collection, recycling, and sewage are funded through enterprise funds as shown on page 22 of this report. Water services provided to citizens are funded through the Water Works Board of the City of Auburn component unit, more information is included on page 23 of this report.

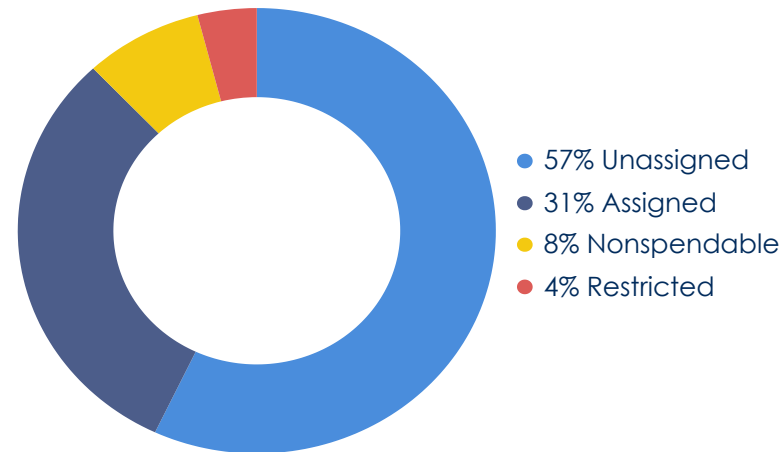


GENERAL FUND FUND BALANCE

The General Fund's net ending fund balance essentially represents the City's reserves. Fund balance is the difference between what the City owns (assets) and what the City owes (liabilities). The City has a formal, Council adopted goal of fund balance being at least 6% of expenditures and other financing uses. However, the City Manager has adopted a more conservative goal of 25%.

Fund balance is divided into four categories that identify constraints on the use of fund balance, making total fund balance more transparent. These categories are described below.

FUND BALANCE OF THE GENERAL FUND Fiscal 2019 Total: \$56,364,317



- Unassigned fund balance represents amounts that are available for any purpose.
- Assigned fund balance represents amounts that the City intends to use for specific purposes. In fiscal 2019, assigned fund balance consists of contracts and commitments for goods and services not yet received (encumbrances).
- Nonspendable fund balance represents amounts that are not in spendable form, such as inventories, prepaid items, advances, and property held for resale.
- Restricted fund balance presents amounts that are legally restricted for a specific purpose. Legal restrictions are imposed by external parties, such as creditors (debt covenants), grantors, laws and regulations of other governments, or by law through constitutional provisions or enabling legislation.

ASSETS AND LIABILITIES

In addition to understanding where the money comes from, where the money goes, and ending fund balance, it is also important to understand the net position of the City. Net position provides information on the City's overall financial performance, including assets and liabilities of the City as a whole. A positive net position reflects strong financial health and solvency. The chart below summarizes the Statement of Net Position as of September 30, 2019.

ASSETS What we have

	Governmental Activities	Business-type Activities	Total
Current & Other Assets	\$115,691,203	\$15,936,699	\$131,627,902
Capital Assets	\$238,612,197	\$80,820,082	\$319,432,279
Total Assets	\$354,303,400	\$96,756,781	\$451,060,181
Deferred Outflows of Resources	\$10,120,802	\$2,915,524	\$13,036,326

LIABILITIES What we owe

	Governmental Activities	Business-type Activities	Total
Current Liabilities	\$26,629,413	\$4,876,569	\$31,505,982
Long-Term Debt & Other Liabilities	\$236,296,231	\$35,059,258	\$271,355,489
Total Liabilities	\$262,925,644	\$39,935,827	\$302,861,471
Deferred Inflows of Resources	\$2,688,222	\$272,331	\$2,960,553

Total Net Position	\$98,810,336	\$59,464,148	\$158,274,484
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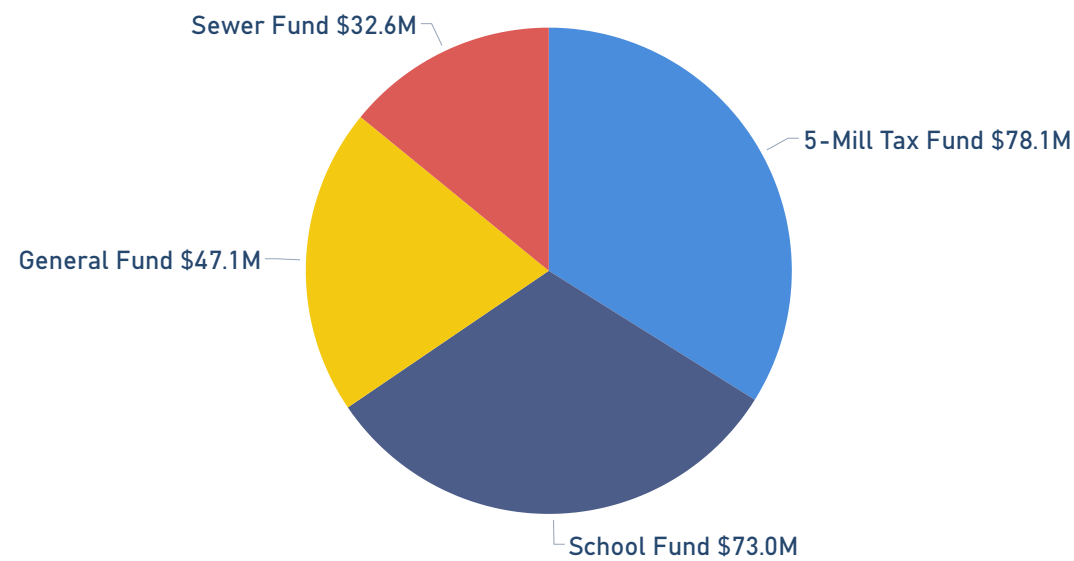
Deferred outflows and inflows of resources represent consumption and acquisition of items applicable to a future reporting period. The balances are primarily related to the City's pension and other post-employment benefit activities. Details regarding pensions and other post-employment benefits can be found in the Notes to the Financial Statements of the CAFR.

More details on audited financial information can be found in the City's CAFR, available online at auburnalabama.org/CAFR.

LONG TERM DEBT

The City of Auburn maintains excellent credit ratings of AA+ from Standard & Poor's and Aa2 from Moody's Investor Services. Bond ratings represent the credit worthiness of the City and measure the City's ability to meet financial commitments. The double A rating is reserved for organizations characterized with strong management and budgetary performance, stable economies, and manageable debt levels. Strong bond ratings allow the City to receive lower interest rates on bond issues.

General obligation bonds, warrants, and notes payable outstanding at September 30, 2019 totaled \$230.9 million. In addition to issuing debt for City projects, the City also issues and manages debt for Auburn City Schools and for projects that result from partnerships with Auburn University or component units of the City. Of the \$230.9 million in debt outstanding, \$151.2 million is debt issued for assets that belong to Auburn City Schools and \$1.7 million is debt issued for assets that are owned by the City's Public Park and Recreation Board. General obligation debt is usually payable from the City's general revenues (of the General Fund). However, some long-term debt is payable from legally restricted revenue sources, such as debt issued for Auburn City Schools, which is payable from property taxes dedicated for education purposes. In addition, the City levies a property tax, the Special Five Mill Tax, which is legally restricted for repaying debt issued to finance projects approved by Auburn's voters. The chart below shows the repayment sources for the City's long-term debt outstanding at September 30, 2019.

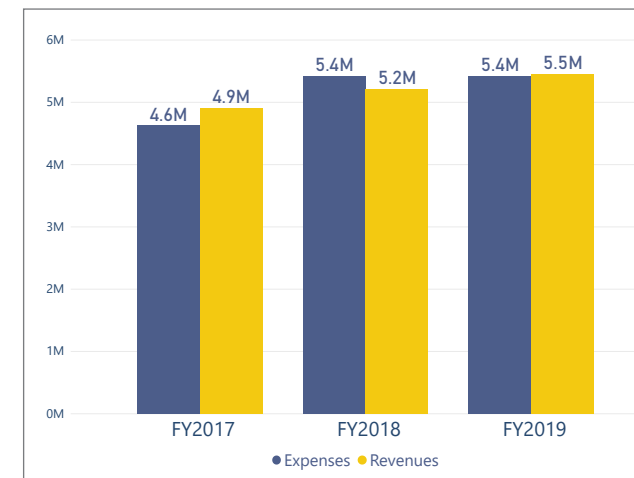


ENTERPRISE FUNDS

Enterprise or proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing specified goods and services to the general public be financed or recovered primarily through user charges.

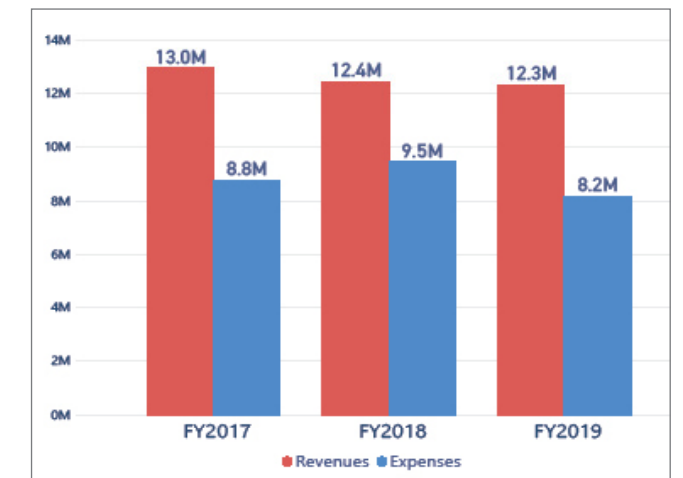
The City of Auburn has two enterprise funds, the Sewer Fund and Solid Waste Management Fund. The graphs below reflect revenues and expenses for the past three fiscal years. The difference between revenues and expenses in each year illustrate the change in Net Position. Net Position is discussed and reflected earlier in this report, on page 20.

SOLID WASTE MANAGEMENT FUND



FY2019 Ending Net Position: \$2,235,675

SEWER FUND



FY2019 Ending Net Position: \$57,228,473



FOR MORE INFORMATION:

Solid Waste Management
auburnalabama.org/garbage-and-recycling/

Sewer
auburnalabama.org/water-resource-management/sewer/

Component units include organizations that are financially accountable to the City's executive or legislative branches (the Mayor or the Council, respectively) and other organizations for which the nature and significance of their relationships with the primary government are such that their exclusion could cause the City's financial statements to be misleading or incomplete. All component units are legally separate from the City. Currently there are six discretely presented component units of the City of Auburn.

| Board of Education

auburnschools.org

| Water Works Board

auburnalabama.org/boards-and-commissions/independent-authorities/water-works-board

| Industrial Development Board

auburnalabama.org/boards-and-commissions/independent-authorities/industrial-development-board

| Public Parks and Recreation Board

auburnalabama.org/boards-and-commissions/advisory/public-park-and-recreation-board

| Commercial Development Authority

auburnalabama.org/boards-and-commissions/planning-and-development/commercial-development-authority

| Downtown Redevelopment Authority

auburnalabama.org/boards-and-commissions/planning-and-development/auburn-downtown-redevelopment-authority/



Budget Development:

At the direction of the City Manager, the Budget and Strategic Planning Division is responsible for working with the City's Management Team in developing the budget and all associated publications. It is the goal of the City of Auburn that the budget be driven by the results of our Citizen Survey and the Strategic Plans set forth and adopted by the City Council.

Biennial Budgeting:

The City of Auburn operates under a biennial (two-year) budget. The biennial budget consists of two one-year budgets and a six-year Capital Improvement Plan. Operating under a two-year budget gives City Council and City Management a longer budgeting horizon and reduces the amount of staff time required for developing and adjusting the budget. The fiscal year for the City runs from October 1 each year through and including September 30 of the following year. Fiscal year 2019 ended September 30, 2019, and Fiscal Year 2020 will complete the 2019-2020 Biennial Budget on September 30, 2020.

General Fund Budget Overview

	AUDITED ACTUALS FY2019	BUDGET FY2020
Beginning Fund Balance	\$52,412,747	\$42,879,836
Revenues	\$101,289,279	\$94,176,179
Other Financing Sources (OFS)	\$529,721	\$351,250
Total Revenues & OFS	\$101,819,000	\$94,527,429
Expenditures	\$97,247,197	\$89,327,048
Other Financing Uses (OFU)	\$620,233	\$16,322,064
Total Expenditures & OFU	\$97,867,430	\$105,649,112

DETAILED BUDGET INFORMATION AND FULL BUDGET DOCUMENTS CAN BE FOUND ON THE BUDGET AND STRATEGIC PLANNING WEBSITE:
AUBURNALABAMA.ORG/BUDGET



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