



2019

Popular Annual Financial Report

Year ended December 31, 2019



Serving the communities of Aurora,
Montgomery and North Aurora

Fox Valley
Park District
where fun begins

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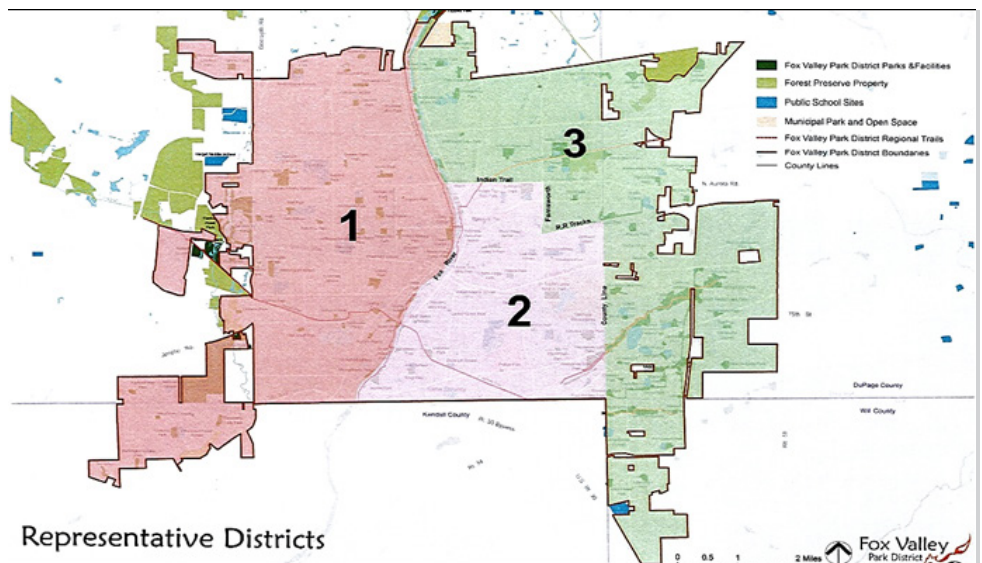
Board of Commissioners



First row from left to right: President Chuck Anderson [District 1], Vice-President Matt Hicks Jr [District 1], Commissioner Jerry Butler [District 2], Commissioner Mary Anne Cummings [District 2]; Second row from left to right: Commissioner Mavis Bates [At-Large], Commissioner Holly Scholz [District 3], Commissioner Al Broholm [District 3].

*Executive
Director
James Pilmer*

The District is currently governed by an elected seven-member Board of Commissioners. The Board of Commissioners is responsible for governance and appoints the Executive Director, as well as the District's attorneys and auditors. Day-to-day administration of the District is the responsibility of the Executive Director.





What is the Popular Annual Financial Report (PAFR)?

The PAFR summarizes FVPD's financial activities and performance results reflected in our 2019 Comprehensive Annual Financial Report (CAFR), as well as our 2020 budget documents. The Comprehensive Annual Financial Report (CAFR) is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and was audited by Sikich LLP, receiving an "unqualified" opinion. An unqualified opinion is given when the auditors can state that the financial information and statements are accurately and fairly presented. The PAFR, on the other hand, is not audited and is simplified for general presentation. The financial information contained in this document is derived from actual Generally Accepted Accounting Principals (GAAP) data in the audited financial reports. The report does not include the District's discretely presented component unit, the Fox Valley Park Foundation, nor does it include information on the District's internal service funds.

We hope you enjoy reading this report and invite you to visit our website at foxvalleyparkdistrict.org for additional details regarding the District's finances. We welcome your questions, comments and suggestions. You may also contact the Director of Finance and Administration at 630-966-4507.

Outstanding Achievement in PAFR Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the Fox Valley Park District for fiscal year 2018. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest national standards for preparation. The Comprehensive Annual Financial Report (CAFR) also represents award winning work, having earned the GFOA's Certificate of Achievement for Excellence in Financial Reporting for 22 years. The Distinguished Budget Award has been achieved by the District for eight years.



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**Fox Valley Park District
Illinois**

For its Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Moniel
Executive Director/CEO



FVPD Statistics

750,000+ sq. ft. of brick-and-mortar recreational space powered by clean/green electricity

233,000 residents

13,421+ trees across district

2,404 acres

1947 founding year

1,227 employees on payroll throughout the year

547 pollinator acres

537 acres mowed internally

336 pieces of equipment

295 acres of mowing contracted

167 parks

99 playgrounds

83 soccer fields

62 acres of athletic space

48 miles of trail

46 basketball half-courts

43 shelters

21 basketball full-courts

3 community centers

3 maintenance buildings

2 outdoor aquatic parks

1 living museum

1 nature center

1 golf course



Economic & Demographic Makeup

Although the District serves the communities of Aurora, North Aurora and Montgomery, the City of Aurora represents the largest portion of the District. Therefore, the following statistics are presented for the City of Aurora.



Median Household Income
\$66,582



Median Household Value
\$188,582



Median Age
33

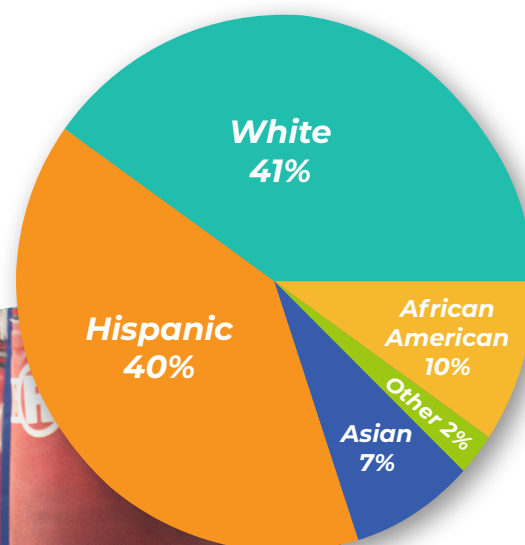


Unemployment Rate
3.8%

Top Employers

1. Caterpillar Tractor Co.
2. Rush-Copley Medical Center
3. School District #129
4. School District #131
5. Amita Health Mercy Medical Center
6. City of Aurora
7. Advocate Medical Group
8. School District #204
9. Hollywood Casino
10. Cabot Microelectronics Corporation

Ethnicities



Property Taxes & Assessed Valuation

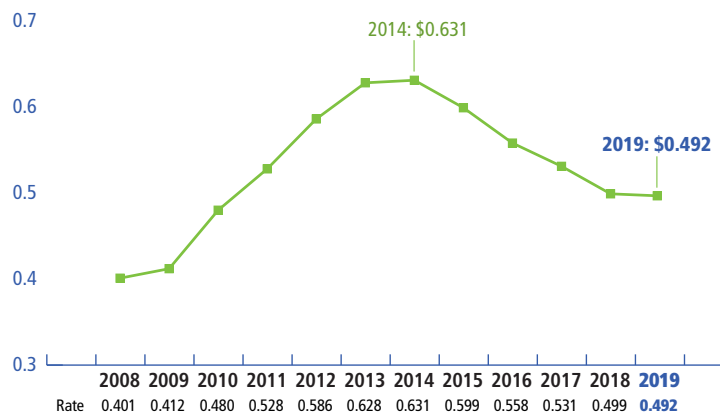
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Less than 0.05 cents of every property tax dollar goes to the Fox Valley Park District

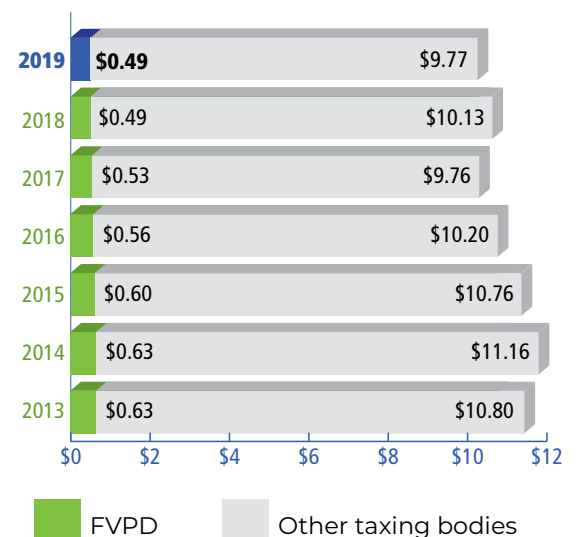
The District's property tax rate has declined for the fifth consecutive year. As the economy rebounded and continued to grow the taxable Equalized Assessed Value (EAV) increased. The EAV and tax rate have an inverse relationship; when the EAV goes up, the effective tax rate goes down. During this five-year period, property values have continued to accelerate, and while the District has only recently made minimal increases in the property tax levy request, the actual rate at which the property is taxed for the Park District's portion has decreased. The District voluntarily froze the levy for six years during the height of the economic downturn, and the District strives to limit growth of the property tax levy in future years.

A property owner's tax bill is made up of multiple units of government, which the FVPD considers when developing the tax levy. The District is deeply committed to be a strong, responsible financial steward of public resources. At less than five cents of every property tax dollar, the District remains a minimal portion of a resident's overall property taxes, while providing a high degree of service and accessibility to all.

**FVPD Tax Rate History
2008-2019**



Property Tax Rates per \$100 Equalized Assessed Value

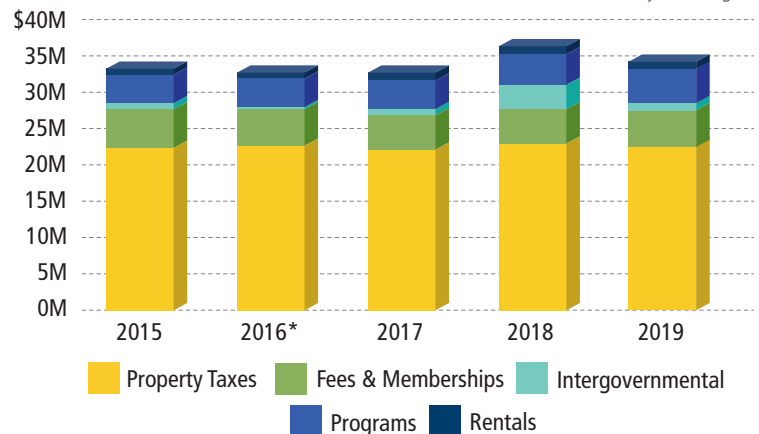


Where does the money come from?

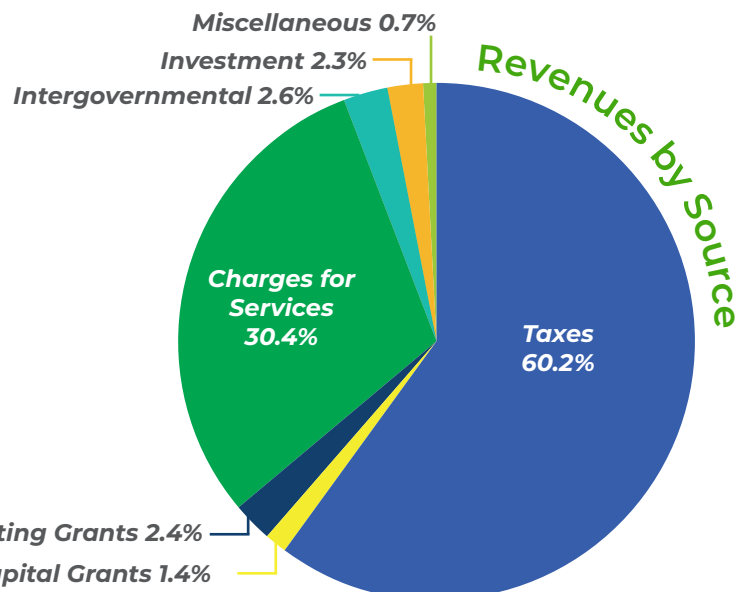
For the year ending December 31, 2019, revenues totaled \$36,450,519 which is a decrease of \$1,597,683 from the prior year. This decrease is primarily related to the receipt of a one-time Illinois Department of Natural Resources PARC Grant in 2018. The District's largest sources of revenue are from Property Taxes and Charges for Services, which combined account for \$33,138,765, or 90.6%, of the District's total revenue.

Five Year Major Revenue Comparison

* Fiscal year changed



Revenue Type	2019
Property Taxes	\$22,017,481
Charges for Services	\$11,120,283
Intergovernmental	\$819,858
Operating Grants	\$886,915
Investment Income	\$833,452
Capital Grants	\$528,043
Miscellaneous	\$244,487
Total Revenue	\$36,450,519

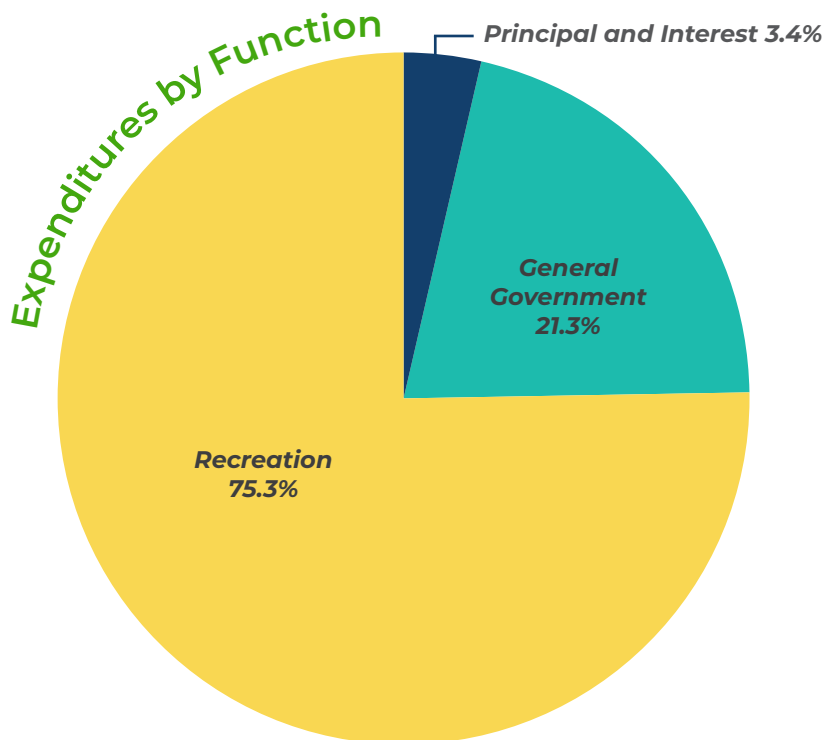


Where does the money go?

For the fiscal year January 1-December 31, 2019, total expenses were \$35,519,455 which is a \$113,010 decrease from the prior year. The largest component at 75.2% is Playground and Recreation which includes the cost of providing the activities, programs and events offered to our residents.

These are the costs related to operating and maintaining the Stuart Sports Complex, our three community centers, two outdoor aquatic parks, Blackberry Farm, Red Oak Nature Center and the Copley Boxing Club. This also includes the costs related to the marketing and administration of the recreational programs at these facilities. As our community centers age, the costs to operate and maintain these facilities are increasing.

The second largest component of expenses is in the General Government function at 21.3%. This is the cost of maintenance and repairs of our 167 parks, related capital expenses, and the administrative costs for the departments of planning, finance and marketing. The third component at 3.4% is debt service costs related to principal and interest payments for the District's long-term debt. This number has decreased significantly as the District continues to retire its general obligation bonds and other debt.



The property tax revenues specifically are allocated to fund various functions of the District. For every five cents collected, three cents are allocated to general operations, including the care and maintenance of parks and playgrounds, the costs related to public safety services provided by the District's Police Department, and the overarching expenses related to finance, human resources, marketing, planning, retirement and the District's portion of payroll taxes.

One cent goes to the maintenance and repairs of the community centers, outdoor education centers, the living museum and the Fox Valley Special Recreation Association and related ADA costs. The last one cent is allocated to the payment of long-term debt that the District has issued in prior years.

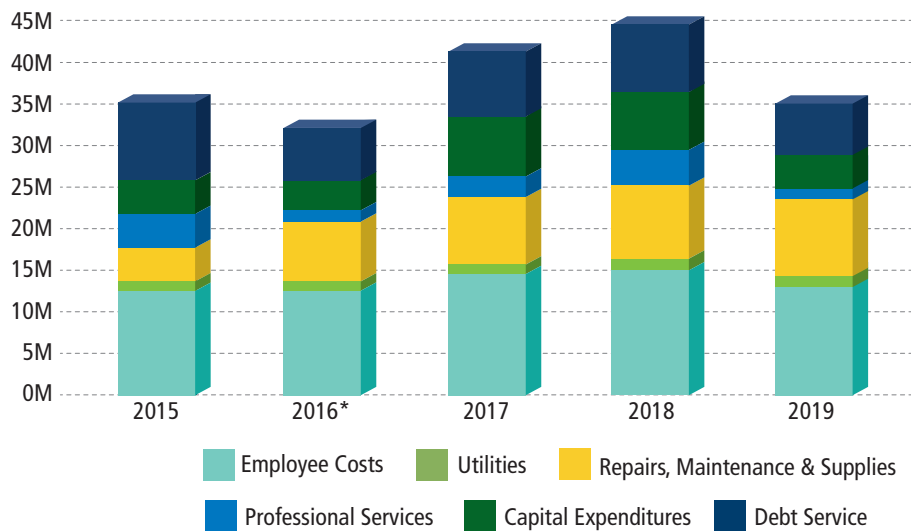


Five-year Comparison: Major Expenditures

The District's expenditures vary from year to year based on shifting priorities and needs. The District strives to minimize controllable costs such as payroll and utilities; however, as infrastructure ages the District finds itself encountering more frequent and costly unplanned capital projects and major repairs.

Five Year Major Expenditure Comparison

* Fiscal year changed



	2015	2016	2017	2018	2019
Employee Costs	\$12,048,614	\$12,210,039	\$13,990,918	\$14,473,530	\$12,783,679
Utilities	\$1,185,361	\$1,205,361	\$1,228,760	\$1,341,493	\$1,327,555
Repairs, Maint. & Supplies	\$7,115,547	\$6,939,348	\$8,401,555	\$8,618,822	\$9,123,532
Professional Servies	\$1,164,286	\$1,159,449	\$1,640,689	\$4,313,423	\$1,297,838
Capital Expenditures	\$4,067,813	\$3,995,218	\$6,904,540	\$7,403,878	\$3,995,218
Debt Service	\$9,228,300	\$6,244,838	\$7,677,292	\$7,979,425	\$6,516,582



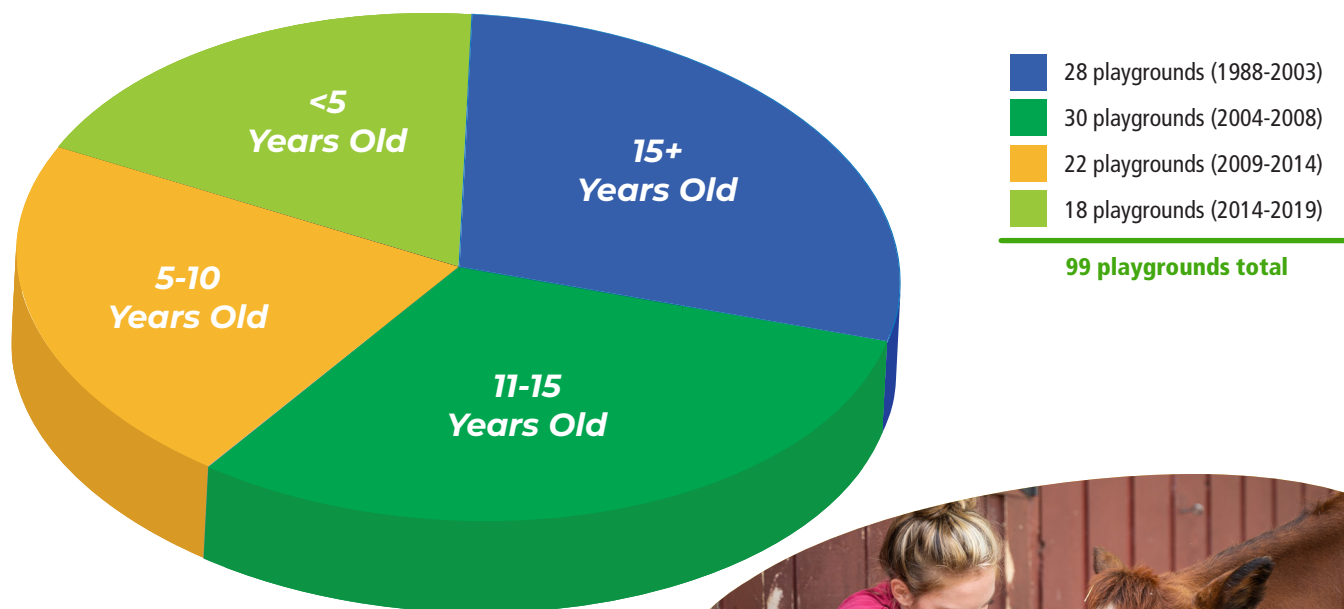
Capital & Operating Costs

The District has continued to grow over the last two decades on account of the two overwhelmingly supported and voter approved capital projects referendums; a \$22 million referendum in 2002 which built our largest facility, the Vaughan Athletic Center, and a \$44.9 million referendum in 2008 for a multitude of large projects and open space acquisitions. Combined, these referendums created District asset expansion of over \$150 million, a 203% increase from what the District owned and operated in 2002.

As the assets and infrastructure age, they become more costly to maintain. The funding for repairs and maintenance has remained relatively flat since 2002 which has caused many of our assets to be placed on a deferred maintenance schedule. This means that the funding is not available to make regularly scheduled replacements when the asset reaches a certain point in its useful life and a playground that would normally be replaced after 15 years, is now getting pushed out to 18-20+ years. However, the District has an aggressive playground inspection and part replacement program in place to keep our playgrounds safe and up-to-date.

The District continues to look for new revenue streams to minimize the impact on taxpayers to fund the maintenance of these assets.

Park District Playgrounds by Age





Long-Term Bonded Debt

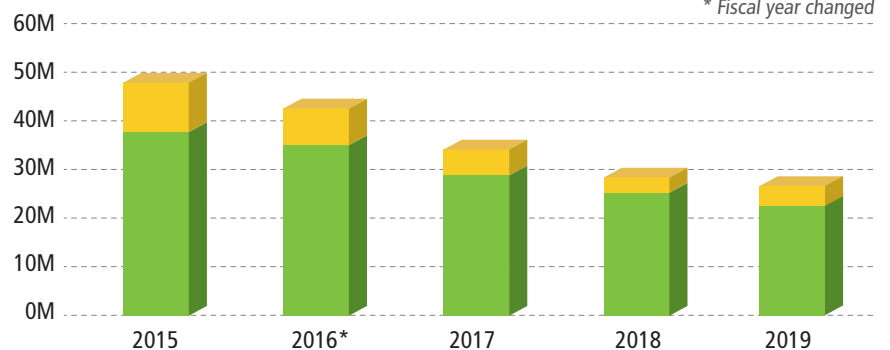
When issuing debt (bonds), the District limits the use of proceeds to funding capital project costs and asset acquisitions. There is a legally imposed limitation on the amount of debt the District can incur; voters must approve through referendum if the debt amount is going to exceed this limit. Of the District's outstanding \$27.5 million in debt, 82% or \$22.5 million is related to the 2002 & 2008 voter approved referendums. The District has been very careful to only issue additional bond money when needed through short-term General Obligation bond issues that are generally used for infrastructure replacement. With 18 sites, 3 large facilities, 167 parks, etc. this short-term borrowing becomes necessary.

The District maintains a Aa1 rating from Moody's and a AA+ rating from S&P Global. These ratings are significant in translating to lower interest rates for future bond issues. The District is always looking for refunding opportunity to minimize the interest costs on our outstanding debt.



Five Year Long-Term Bonded Debt by Type

Referendum Debt
Non-referendum Debt



Successes & Challenges

2019 Successes

- FVPD operations shifted from a tear down and rebuild method for playground enhancement to a more economical approach by performing in-house feature replacement and ADA enhancements. This allows the district to distribute resources over many playgrounds as opposed to only servicing one or two playgrounds a year by completely replacing them.
- The MVP Sports program launched in 2019 as an in-house sports program with a profit of 51% compared to 33% in the prior year when it was contracted out to a sports provider.
- The Fox Valley Park District participated in five different 21st Century Grants where over 4,200 students were served. Additionally, we offered the Swim Safety program at the indoor pool of the Vaughan Athletic Center to all nine elementary schools. More than 130 second graders received the lessons.
- The District partnered with the Northern Illinois Food Bank for the Summer Meals on the Move free lunch program at Blackhawk Park. Lunch was offered for children and teens up to 18 from June 11 - August 10.

2019 Challenges

- As the District works to reduce reliance on property tax revenues, it is a continuous challenge to strengthen and increase reliance on other sources of revenue, through new program offerings, tax increment financing (TIF), community development block grant (CDBG) funding, State of Illinois appropriations through our local representatives, intergovernmental partnerships or reviewing current practices.
- With the aging infrastructure and the need for maintenance increasing, there are 28 playgrounds that are beyond their 15-year lifecycle. This challenge was offset by one of the 2019 successes mentioned above.
- The five-year phase in plan for the increase in minimum wage continues to be a concern for the District and in 2019, we began forecasting out what the financial impact would be on the District in future years and what could offset the additional cost.
- Many weather-related challenges impacted the outdoor and seasonal facilities resulting in the actual revenues coming in much lower than the budgeted amount. Daily admissions at our pools and Blackberry Farm were impacted along with the many athletic tournaments that had to be cancelled due to poor weather or flooding.





Community Impact

Property Value

Fox Valley Park District is critical to maintaining and increasing property value.

FACT: Research shows that property values can be up to 20% higher if a home is located within 500 feet of a well-maintained park (National Recreation and Parks Association).

Economic Development

Fox Valley Park District is a key driver of economic development.

FACT: Parks, facilities, fields and amenities provided can ignite development, revitalization, and investment. A vibrant park system offers a higher quality of life for prospective new home owners and businesses looking to invest in the community. The surrounding areas benefit from the economic engine of tourism generated by the District.

Health & Wellness

Fox Valley Park District facilities and parks provide the opportunity to improve physical and mental wellness through exercise and recreation, which leads to an enhanced quality of life.

FACT: National health expenditures hit \$3.35 trillion in 2016, which works out to more than \$10,000 for every man, woman and child. That's twice as much as any other developed country (cms.gov).

Youth & Social Equity

The Fox Valley Park District and its Foundation has awarded hundreds of thousands of dollars in scholarships and grants to underserved area youth. This gives our youth positive opportunities to develop meaningful lifetime skills and hobbies while strengthening our community through reductions in juvenile crime. Keeping youth actively engaged in camps, programs and other events is core to our mission.

Sustainable Energy

As we strive to be good stewards of the land, we are proud to say we are 100% powered by clean/green electricity. Utility costs have stayed the same over the past two years as aggressive efforts have been made for green energy. 90% of the District's greenhouse is powered by renewable wind energy and is Green-e Energy Certified.



2019

Popular Annual
Financial Report

Year ended December 31, 2019

Contact Us

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foxvalleyparkdistrict.org



7 Core Values

1. Develop strong relationships
2. Diversity and inclusion
3. Create partnerships
4. Business collaboration
5. Culture of achievement
6. Consistent excellence
7. Never satisfied