

FOX VALLEY PARK DISTRICT 2022 POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2022



Fox Valley
Park District
Where fun begins



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BOARD OF COMMISSIONERS



Chuck Anderson
President | District 1



Matt Hicks
Vice President | District 1



Allan Broholm
Commissioner | District 3



Jerry Butler
Commissioner | District 2



Marea B. Clement
Commissioner | District 3



Mary Anne Cummings
Commissioner | District 2

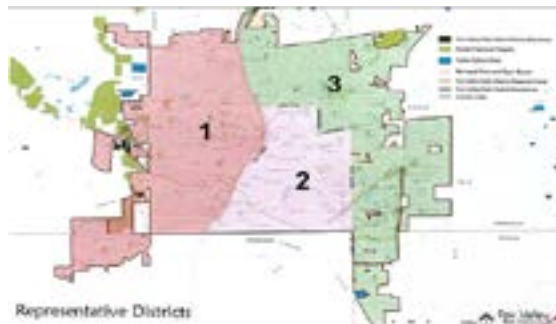


Joe Grisson III
Commissioner | At-Large



James Pilmer
Executive Director

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



Mission

Enrich our community with fun, diverse and safe park and recreation experiences through environmentally and fiscally responsible actions.

Vision

A legacy of innovative leadership in parks, recreation and open space.

Core Values

- Develop strong relationships
- Create partnerships
- Culture of achievement
- Be bold
- Business collaboration
- Consistent excellence
- Never satisfied

FOX VALLEY PARK DISTRICT COMMUNITY



Dear Colleagues and Citizens,

We're pleased to share our 2022 Popular Annual Financial Report with the community. This financial document further enhances our transparency with constituents in regard to best practices in governance and parks and recreation, while providing an easy-to-understand financial summary of the Fox Valley Park District as of December 31, 2022.

As we officially close the books on 2022, we look back at our collective perseverance and commitment of the District to remain vigilant in providing parks and recreation resources to our community. We did so while addressing the health, safety, economic and social needs of our residents.

The District is in the best state of affairs in several categories. These are accomplishments of all the dedicated employees of the District. On a daily basis, they are collectively managing and performing duties to put the District in the current state which includes; The best condition the facilities and grounds have ever been in; strong financial planning with a forecasting plan for financial stability; continuously and creatively delivering new services with excellent programming in sports, arts, aquatics, fitness, early childhood learning and growth with museum properties; continuous improvement with our system management which allows us to use technology for efficient and effective uses; continued safety and risk training to our staff; fresh perspectives to our digital platforms and continuously building data to laser focus on our users; and a robust set of capital projects that have been in line for the past few years. We will continue our strategies to remain resilient, recover and reimagine recreation for our communities.

Respectfully,

A handwritten signature in black ink, appearing to read "Chuck Anderson".

Chuck Anderson
President
Fox Valley Park District Board of Commissioners

A handwritten signature in black ink, appearing to read "Jim Pilmer".

Jim Pilmer
Executive Director
Fox Valley Park District

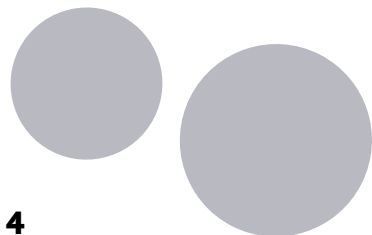
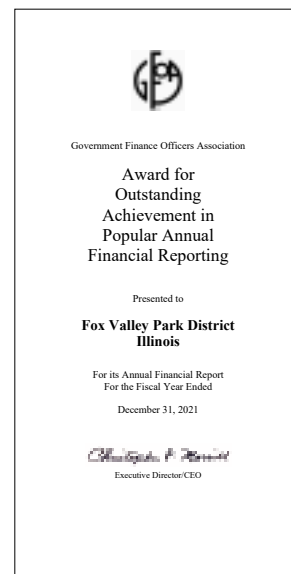
WHAT IS THE POPULAR ANNUAL FINANCIAL REPORT?

The PAFR summarizes the financial activities and performance results presented in our 2022 Annual Comprehensive Financial Report and 2023 budget documents. The Annual Comprehensive Financial Report contains detailed financial data prepared in accordance with Generally Accepted Accounting Principles (GAAP). This report was audited by Sikich LLP and received an “unmodified” opinion. An unmodified opinion is given when the auditors can attest 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 the GAAP data in the audited financial reports. The PAFR 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 [click here to view the 2022 Annual Comprehensive Financial Report](#) and other details regarding the District’s finances. We welcome your questions, comments and suggestions. You may also contact the Director of Finance at 630-897-0516.

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 2021 (the last year the awards were issued). 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 also represents award winning work, having earned the GFOA’s Certificate of Achievement for Excellence in Financial Reporting for 24 years. The District has also received the Distinguished Budget Award for District for 12 years.



STRATEGIC PLANNING

Strategic guidelines followed when determining the District's strategic plan include:

- **Fiscal sustainability** for the short and long-term goals, focusing on an ever-changing environment and the requirement for a balanced budget.
- **Transparency** internally and externally to assure all stakeholders that decisions are made for the well-being of the District.
- **Cooperation and collaboration** with governmental and business entities to leverage efficiency in service to the residents and community.
- **Creativity, innovation and benchmarking** to track new ideas and entrepreneurial thinking that will have a significant impact on the District's current and future needs.
- **Social equity** ensuring all people have the right to access the benefits of local parks and recreation.



KEY STRATEGY 1:

Build Community and Customer Loyalty

- **Goal A:** Provide safe, distinctive and well-maintained parks and facilities
- **Goal B:** Provide diverse and innovative programs and events
- **Goal C:** Provide excellent two-way public communication

KEY STRATEGY 2:

Conserve Energy, Natural Resources and Promote Sustainability

- **Goal A:** Acquire and preserve key natural assets
- **Goal B:** Incorporate sustainability in planning, construction and operations

KEY STRATEGY 3:

Strengthen Financial Performance

- **Goal A:** Reduce reliance on tax revenues
- **Goal B:** Ensure appropriate funding availability for operations and maintenance

KEY STRATEGY 4:

Achieve Excellence in Organizational Planning, Administration and Operations

- **Goal A:** Create and maintain comprehensive plans
- **Goal B:** Promote continuous improvement through innovation and technology
- **Goal C:** Improve efficiency and effectiveness

KEY STRATEGY 5:

Enrich Employee Work Environment

- **Goal A:** Develop employee skills, abilities and knowledge

FVPD STATISTICS

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

236,000 residents

15,000+ trees across
district

2,382 acres

1947 founding year

1,019 employees on
payroll through-
out the year

600+ pollinator acres

550+ acres mowed
internally

411 pieces of machinery
equipment

353 acres of mowing
contracted

171 parks

100 playgrounds

56 baseball fields

86 soccer fields

62 acres of athletic space

48 miles of trail

53 basketball half-courts

62 shelters

19 basketball full-courts

4 fitness centers

3 community centers

4 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 and can be found at census.gov



Median Household Income

\$79,642



Median Household Value

\$208,500



Median Age

34

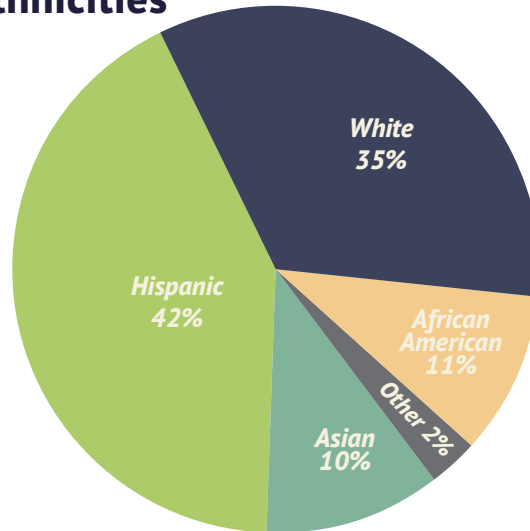


Unemployment Rate*

3.7%

*May 2023 - ides.illinois.gov

Ethnicities



Top Employers

1. Rush-Copley Medical Center
2. School District #129
3. School District #131
4. Amita Health Mercy Medical Center
5. City of Aurora
6. School District #204
7. Hollywood Casino
8. MetLife, Inc.
9. Old Second
10. ATMI Precast



PROPERTY TAXES & ASSESSED VALUATION

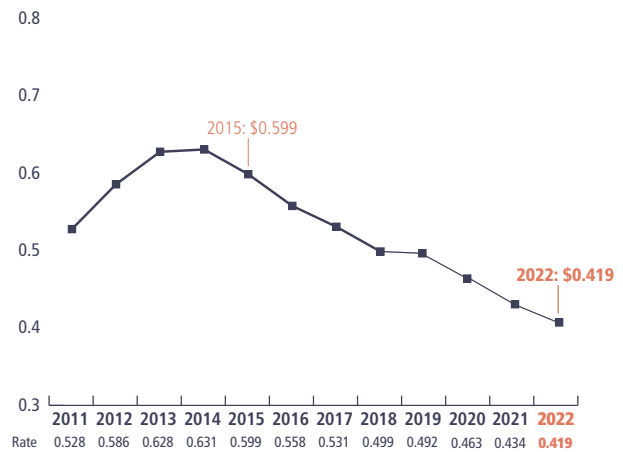
The District's property tax rate has continued to decline over the past seven years. As the value of real estate grows the taxable Equalized Assessed Value (EAV) increases. The EAV and tax rate have an inverse relationship; when the EAV goes up, the effective tax rate goes down. During this seven-year period, property values have continued to grow while the District has only recently made minimal increases in the property tax levy request, therefore, the actual rate at which the property is taxed for the Park District's portion has decreased. The District strives to limit the growth of the property tax levy and reduce reliance on taxpayers.

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 being 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.

Property Tax Rates per \$100 Equalized Assessed Value



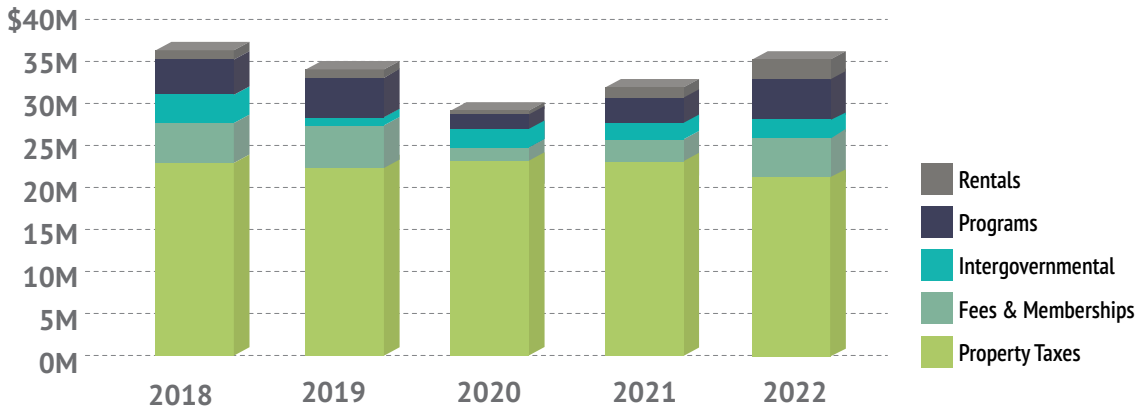
10-Year Tax Rate History



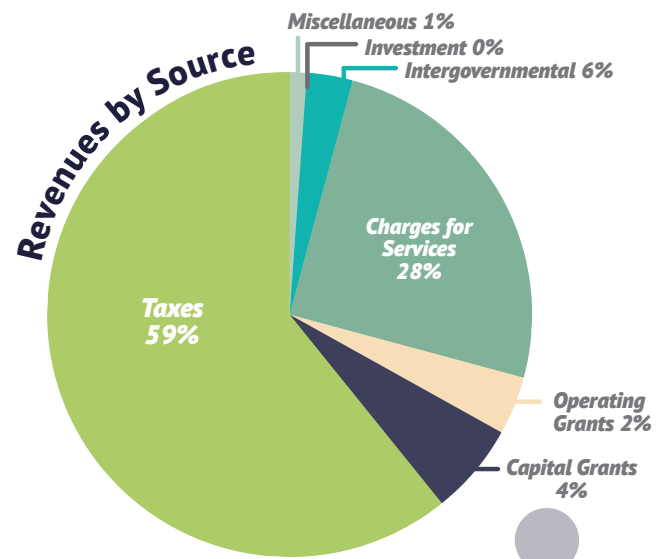
WHERE DOES THE MONEY COME FROM?

For the year ending December 31, 2022, revenues totaled \$38,102,045 which is an increase of \$1,069,270 from the prior year. The revenue growth is due to a return of program participation and offerings. The District's largest sources of revenue are from property taxes and charges for services, which combined account for \$33,185,318, or 87%, of the District's total revenue.

Five Year Major Revenue Comparison



Revenue Type	2022	2021	2020
Property Taxes	\$22,442,756	\$22,694,925	\$23,207,771
Charges for Services	\$10,742,562	\$9,299,001	\$4,255,046
Intergovernmental	\$2,342,900	\$1,161,769	\$899,696
Operating Grants	\$844,348	\$1,361,774	\$828,898
Investment Income	\$87,865	\$56,593	\$595,137
Capital Grants	\$1,286,691	\$2,153,253	\$3,553,055
Miscellaneous	\$354,923	\$305,460	\$148,743
Total Revenue	\$38,102,045	\$37,032,775	\$33,488,346



WHERE DOES THE MONEY GO?

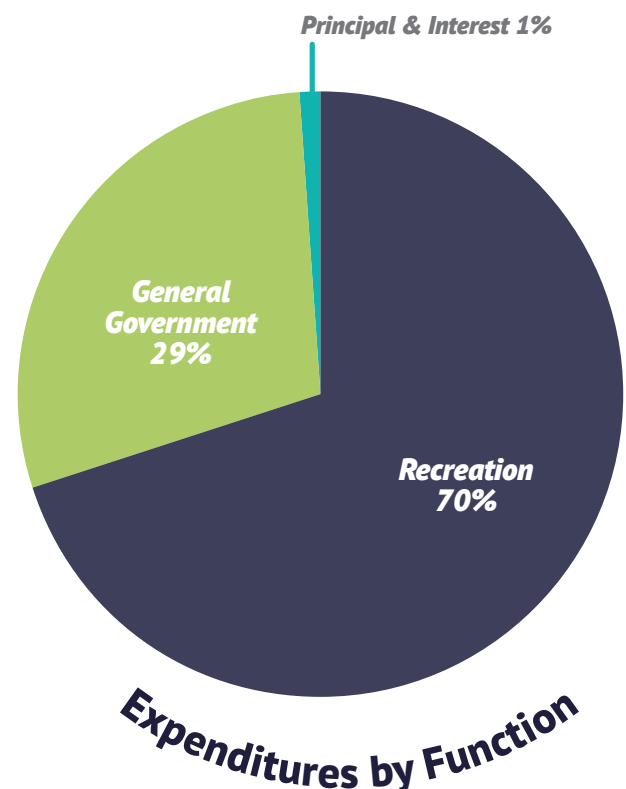
For the fiscal year January 1-December 31, 2022, total expenses were \$33,719,739, a \$1,842,358 increase from the prior year. The increase was due to the resumption of normal operations. The largest component at 70% is the Recreation function which is the costs of providing the activities, programs and events offered to our residents.

These costs are 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 continue to increase.

The second largest component of expenses is in the General Government function at 29%. This is the cost of maintenance and repairs of our 171 parks, related capital expenses, and the administrative costs for the departments of planning, finance and marketing. The third component at 1% 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.

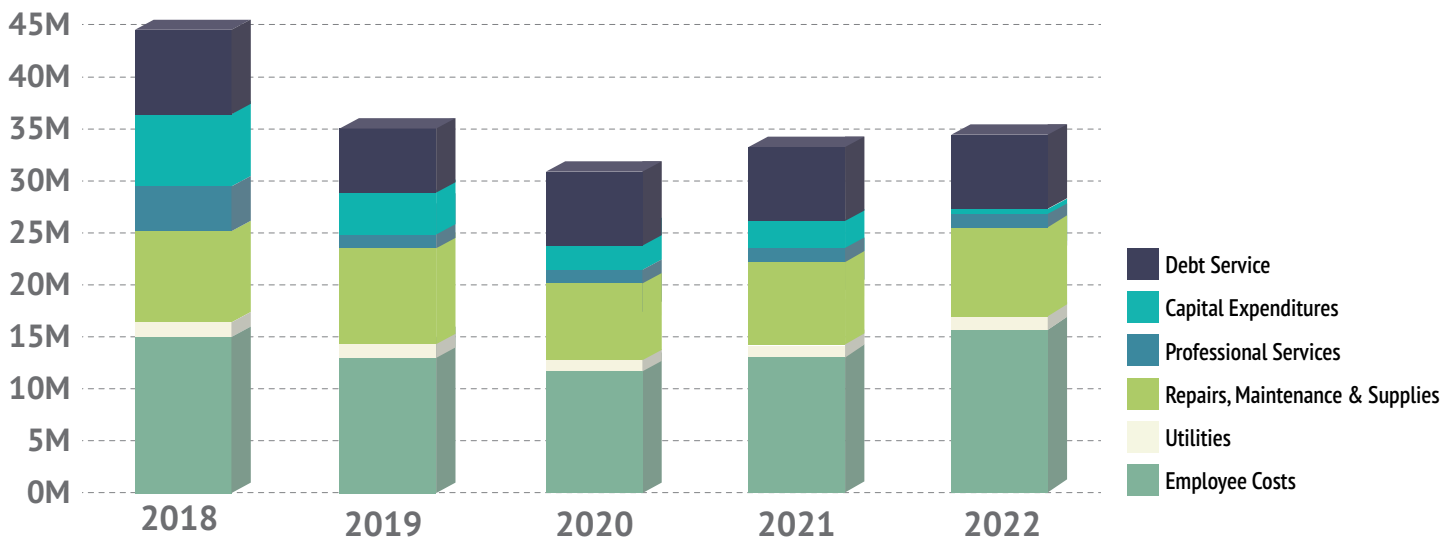
One cent goes to the maintenance and repairs of the community centers, outdoor education centers, the living museum and the Fox Valley Special Recreation Association and related ADA costs. The last cent is allocated to the payment of long-term debt that the District has issued in prior years.



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 capital projects and major repairs. Operating expenditures have returned to normal levels as the District has restarted its recreation programs and services.

Five Year Major Expenditure Comparison



	2018	2019	2020	2021	2022
<i>Employee Costs</i>	\$14,473,530	\$12,783,679	\$11,744,941	\$13,651,298	\$15,007,572
<i>Utilities</i>	\$1,341,493	\$1,327,555	\$1,083,319	\$1,282,957	\$1,209,349
<i>Repairs, Maint. & Supplies</i>	\$8,618,822	\$9,123,532	\$7,413,261	\$8,448,857	\$9,371,127
<i>Professional Services</i>	\$4,313,423	\$1,297,838	\$1,313,778	\$1,373,558	\$1,073,384
<i>Capital Expenditures</i>	\$7,403,878	\$3,995,218	\$2,357,392	\$2,786,006	\$618,125
<i>Debt Service</i>	\$7,979,425	\$6,516,582	\$7,124,942	\$7,142,582	\$6,684,388

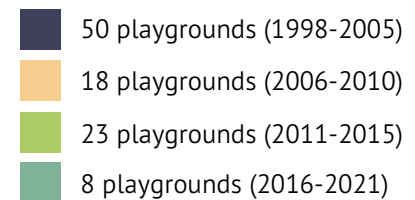
CAPITAL & OPERATING COSTS

The District has continued to grow over the last two decades with the referendum-approved projects such as Vaughan Athletic Center, Stuart Sports Complex and a multitude of large projects and open space acquisitions. Combined, the referendum created District asset expansion of over \$150 million, a 203% increase from what the District owned and operated in 2002.

2022 Capital Highlights

- The following projects were completed during 2022:
 - Cowherd Basketball Courts \$162,000
 - Fitness Court Install at Simmons Park \$189,950
 - Wilbert Walters Wellness Walk \$222,000
- Land Acquisitions:
 - Sperry Property \$859,000
 - Oakwook Property \$25,000
- The District ended the year with the following capital projects in process:
 - Blackberry Train Storage Building \$28,000
 - Prairie Path resurfacing and widening \$182,000 in the current year and \$174,000 in prior years
 - Hupp Pickleball Courts \$440,000
 - Red Oak Lobby/Exhibit Improvements \$53,000
 - The Wilds Building \$1,473,000

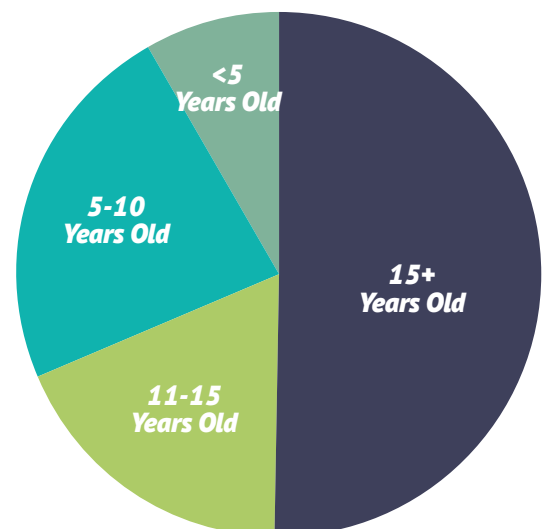
District Playgrounds by Age



99 playgrounds total

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.



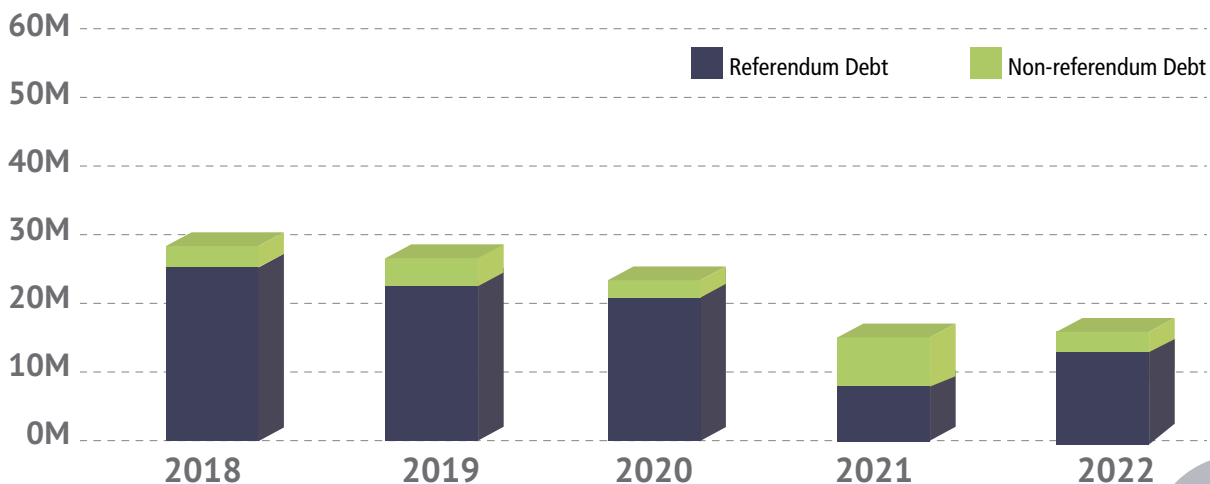
LONG-TERM BONDED DEBT

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. The district has the capacity to issue another \$21 million in debt without voter approval or \$142 million with voter approval through referendum. Of the District's outstanding \$15.3 million in debt, 82% or \$12.5 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, 171 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.



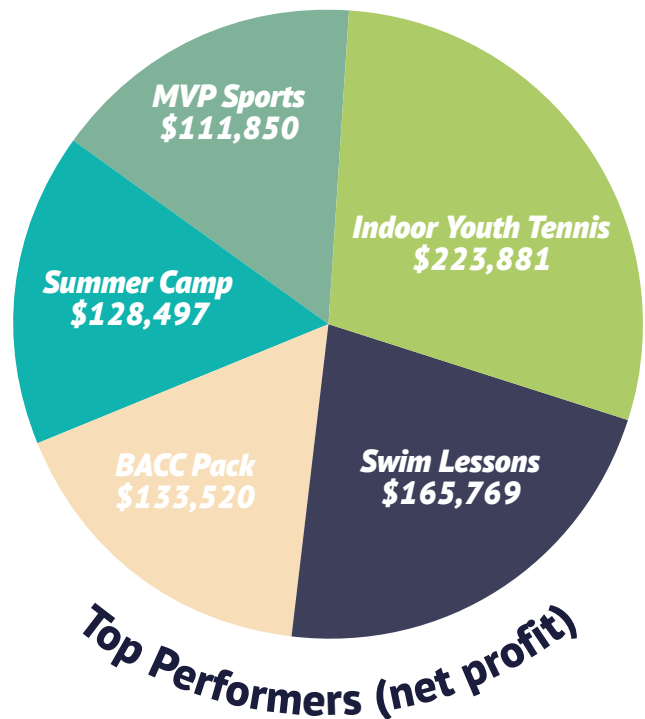
Five Year Long-Term Bonded Debt by Type



SUCCESSES & CHALLENGES

In 2022, the District continued to face challenges that lead us to some of our biggest success stories and new services for our residents. In 2020, the e-CARE program was developed in response to the needs of parents and children alike to provide educational and structured environments led by District team members for academic support during e-learning. The following school year allowed for children to return back to school, and it was then that the District identified the challenge that was forming with area childcare centers closing during the pandemic and the ones that stayed open were at capacity. Families were struggling to find a place for their elementary students to go before and after school and were also looking for a means to transport them to and from. Thus, the BAAC Pack (before and After School Care Club) was formed. At the end of 2021, 99 students and their families utilized this opportunity.

Programs and memberships continue to climb their way back to pre-pandemic numbers. One of the biggest challenges has been attracting fitness members back into our facilities after they have now become accustomed to working out at home. Memberships and programming reached 90% of pre-pandemic revenues while expenditures stayed relatively flat.



COMMUNITY IMPACT

Property Value

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

FACT: Research shows 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.

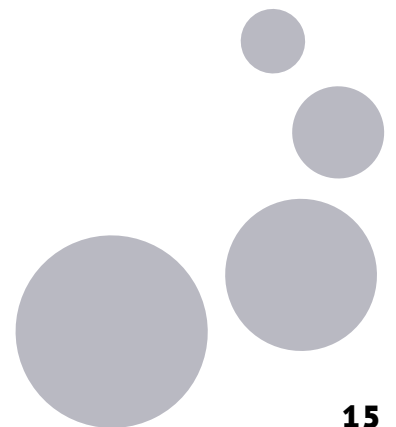
FACT: National health expenditures grew 4.3% to 4.1 trillion in 2022, or \$12,443 per person and is projected to grow at an average annual rate of 5.4 percent through 2031 (healthaffairs.org).

Youth & Social Equity

The Fox Valley Park District and its Foundation have 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 three 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.



FOX VALLEY PARK DISTRICT
**2022 POPULAR ANNUAL
FINANCIAL REPORT**

FISCAL YEAR ENDED DECEMBER 31, 2022

Contact Us

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