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 jburston@auburnalabama.org.

Sincerely,

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

The Auburn City Council typically meets the first and third Tuesday of every month at 7:00pm. 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.
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 |

24.1
MEDIAN AGE

50.4%
OF THE POPULATION IS FEMALE

49.6%
OF THE POPULATION IS MALE

HISTORICAL POPULATION


| LABOR FORCE: 30,657 |

| EMPLOYED: 29,506 |

| UNEMPLOYMENT RATE: 3.4% |

| MEAN FAMILY INCOME: $104,898 |

EDUCATIONAL ATTAINMENT (POPULATION 25 YEARS & OLDER)

HIGH SCHOOL GRADUATE OR HIGHER: 93.6%

BACHELOR’S DEGREE: 29.9%

GRADUATE OR PROFESSIONAL DEGREE: 28.2%

ABOUT AUBURN

AUBURN’S NATIONAL RECOGNITION

2019: “13TH BEST SMALL PLACES FOR BUSINESS AND CARERS”

2018: “THE SOUTH’S 2ND BEST COLLEGE TOWN”

2018: “TOP 100 BEST PLACES TO LIVE IN THE U.S.”

2017: “16TH BEST CITY FOR JOB CREATION IN THE U.S.”

2017: “2ND BEST ZIP CODE TO LIVE IN ALABAMA”

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

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.”

TO VIEW THE FULL COMMUNITY PROFILE VISIT: AUBURNALABAMA.ORG/ECONOMIC-DEVELOPMENT/AUBURN-COMMUNITY-PROFILE/
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 refreshments, door prizes, dance contests, and so much more. 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!

Halloween in the Park: 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!

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/notify

Garbage, Trash, & Recycling Environmental Services
334-501-3080
webervirs@auburnalabama.org

Utility Billing
Finance, Utility Billing Office
334-501-3050
serviceorders@auburnalabama.org

Water Service
Water Resource Management
334-501-3060
webwtrswr@auburnalabama.org

Animal Control
Environmental Services
334-501-3090
serviceorders@auburnalabama.org

Library Programs & Services
Auburn Public Library
334-501-3190
weblib@auburnalabama.org

Cemeteries
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

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
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 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
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.

### 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.

#### 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.

### Funding by Project Type

<table>
<thead>
<tr>
<th>Project Type</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sidewalk/Neighborhood Projects</td>
<td>1,404,454</td>
<td>600,000</td>
<td>480,000</td>
<td>115,000</td>
<td>329,000</td>
<td>1,288,000</td>
<td>6,484,454</td>
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<tr>
<td>Downtown Master Plan Improvement Projects</td>
<td>4,341,380</td>
<td>4,844,000</td>
<td>3,917,000</td>
<td>1,764,500</td>
<td>-</td>
<td>-</td>
<td>15,022,790</td>
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<tr>
<td>Parking Plan Implementation Projects</td>
<td>2,012,875</td>
<td>11,007,400</td>
<td>400,000</td>
<td>200,000</td>
<td>-</td>
<td>-</td>
<td>14,613,280</td>
</tr>
<tr>
<td>Renew Opelika Road Projects</td>
<td>200,000</td>
<td>1,255,241</td>
<td>1,450,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,250,241</td>
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<tr>
<td>Northwest Auburn Neighborhood Plan Projects</td>
<td>401,301</td>
<td>2,257,304</td>
<td>4,861,000</td>
<td>4,600,000</td>
<td>350,000</td>
<td>400,000</td>
<td>13,070,640</td>
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<tr>
<td>Technology Investments</td>
<td>850,267</td>
<td>327,400</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,177,667</td>
</tr>
<tr>
<td>Public Safety Projects &amp; Major Equipment</td>
<td>15,591,493</td>
<td>12,025,000</td>
<td>4,554,672</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>32,083,164</td>
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<tr>
<td>Public Safety Projects &amp; Major Equipment</td>
<td>2,546,407</td>
<td>12,790,576</td>
<td>12,138,097</td>
<td>1,150,000</td>
<td>150,000</td>
<td>150,000</td>
<td>42,529,199</td>
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<tr>
<td>Technology Investments</td>
<td>1,320,793</td>
<td>1,450,000</td>
<td>1,450,000</td>
<td>1,450,000</td>
<td>1,450,000</td>
<td>1,450,000</td>
<td>8,725,793</td>
</tr>
<tr>
<td>Traffic/Transportation Improvements</td>
<td>5,851,349</td>
<td>5,951,474</td>
<td>7,515,000</td>
<td>6,749,000</td>
<td>6,015,000</td>
<td>6,015,000</td>
<td>38,093,205</td>
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<tr>
<td>Watershed, Stormwater &amp; Drainage Improvements</td>
<td>140,128</td>
<td>505,000</td>
<td>120,000</td>
<td>950,000</td>
<td>365,000</td>
<td>150,000</td>
<td>2,170,128</td>
</tr>
<tr>
<td>Sewer System Improvements</td>
<td>610,000</td>
<td>5,940,000</td>
<td>2,775,000</td>
<td>725,000</td>
<td>725,000</td>
<td>725,000</td>
<td>11,600,000</td>
</tr>
<tr>
<td>Water System Improvements</td>
<td>3,530,000</td>
<td>4,140,000</td>
<td>11,000,000</td>
<td>2,530,000</td>
<td>425,000</td>
<td>-</td>
<td>23,745,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28,909,289</td>
<td>64,434,090</td>
<td>22,207,222</td>
<td>21,795,922</td>
<td>9,530,667</td>
<td>21,521,088</td>
<td>138,909,359</td>
</tr>
</tbody>
</table>

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

**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.

**Northwest Auburn Neighborhood Plan Projects**

- Improvements to Richland Road to widen it from Richland Elementary School to Shug Jordan Parkway
- Addition of a deceleration lane at South Yarbrough Farms
- Renewal of Opelika Road
- 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

**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.
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.
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

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

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

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.
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

- 57% Unassigned
- 31% Assigned
- 8% Nonspendable
- 4% Restricted

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.

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.
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 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.

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

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