AURORA PUBLIC LIBRARY DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

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AURORA PUBLIC LIBRARY DISTRICT, ILLINOIS

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the District’s independent auditing firm.

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INDEPENDENT AUDITOR'S REPORT

December 8, 2025

Members of the Board of Trustees
Aurora Public Library District
Aurora, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Aurora Public Library District (the District), Illinois as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Aurora Public Library District, Illinois, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Aurora Public Library District, Illinois' basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

The financial statements of Aurora Public Library Foundation, a discretely presented component unit of Aurora Public Library District, have a fiscal year-end of December 31, 2024, which differs from the fiscal year-end of Aurora Public Library District. These financial statements have been included in Aurora Public Library District's financial statements as of and for the year ended June 30, 2025. Our opinion is not modified with respect to this matter.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Aurora Public Library District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the District's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The District's net position increased $4,574,887, or 14.1 percent, from $32,507,618 to $37,082,505. This increase was driven by the District purposely leaving staff positions open, and certain funds unexpended, due directly to our Eola Road Branch renovation timeline and expenses. In addition, some operational expenses also rolled into our Eola Road Branch renovation costs, which kept operational expenses under budget.

- During the year, government-wide revenues totaled $19,594,961, while government-wide expenses totaled $15,020,074, resulting in an increase to net position of $4,574,887.

- Total fund balances for the governmental funds total $30,275,541 at June 30, 2025 compared to $14,652,099 prior year balances, an increase of $15,623,442 or 106.6 percent. This is a result of a concentrated effort to grow the District's Special Reserve in anticipation of upcoming capital projects.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances.

For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operation in more detail than the government-wide statements by providing information about the District's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business.

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/ deferred outflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements report functions of the District that are principally supported by property taxes, investment income, and grants revenue.

USING THIS ANNUAL FINANCIAL REPORT - Continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District only maintains governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The District maintains two individual governmental funds: General and Special Reserve. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Reserve Fund, both of which are considered major funds.

The District adopts an annual working budget for its General Fund. A budgetary comparison schedule for this fund has been provided to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary information for the General Fund, the District's Illinois Municipal Retirement Fund employee net pension liability, and the total OPEB (other post employment benefits) liability.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by $37,082,505.

	Net Position	
	6/30/2025	6/30/2024
Current Assets	$ 48,965,660	31,981,229
Capital Assets	36,722,415	34,585,774
Total Assets	85,688,075	66,567,003
Deferred Outflows	1,926,611	1,979,132
Total Assets/Deferred Outflows	87,614,686	68,546,135
Long-Term Debt	30,461,293	17,755,183
Other Liabilities	2,134,104	1,108,577
Total Liabilities	32,595,397	18,863,760
Deferred Inflows	17,936,784	17,174,757
Total Liabilities/Deferred Inflows	50,532,181	36,038,517
Net Position		
Net Investment in Capital Assets	17,579,380	18,368,481
Unrestricted	19,503,125	14,139,137
Total Net Position	37,082,505	32,507,618

A large portion of the District's net position, $17,579,380 or 47.4 percent, reflects its net investment in capital assets (for example, land, construction in progress, building and improvements, machinery and equipment, vehicles, and lease asset - automated materials handler); less any related debt used to acquire those assets that are still outstanding.

The District uses these capital assets to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining $19,503,125, or 52.6 percent represents unrestricted net position and may be used to meet the government's ongoing obligations to residents and creditors.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	6/30/2025	6/30/2024
Revenues		
Program Revenues		
Charges for Services	$ 11,825	13,325
Operating Grants/Contributions	399,618	427,013
General Revenues		
Property Taxes	17,051,820	16,014,023
Replacement Taxes	500,000	500,000
Investment Income	1,407,718	931,875
Miscellaneous	223,980	67,568
Total Revenues	19,594,961	17,953,804
Expenses		
Culture and Recreation	13,971,832	13,379,046
Interest on Long-Term Debt	1,048,242	526,149
Total Expenses	15,020,074	13,905,195
Change in Net Position	4,574,887	4,048,609
Net Position - Beginning	32,507,618	28,459,009
Net Position - Ending	37,082,505	32,507,618

Net position of the District's governmental activities increased from $32,507,618 to $37,082,505. This increase was driven by labor shortage and lingering supply chain issues, which kept operational expenditures under budget.

Revenues of $19,594,961 exceeded expenses of $15,020,074, resulting in an increase to net position in the current year of $4,574,887. This is a result of a concentrated effort to grow the District's Special Reserve Fund in anticipation of upcoming capital projects. In addition, some unanticipated miscellaneous revenue was received.

Governmental Activities

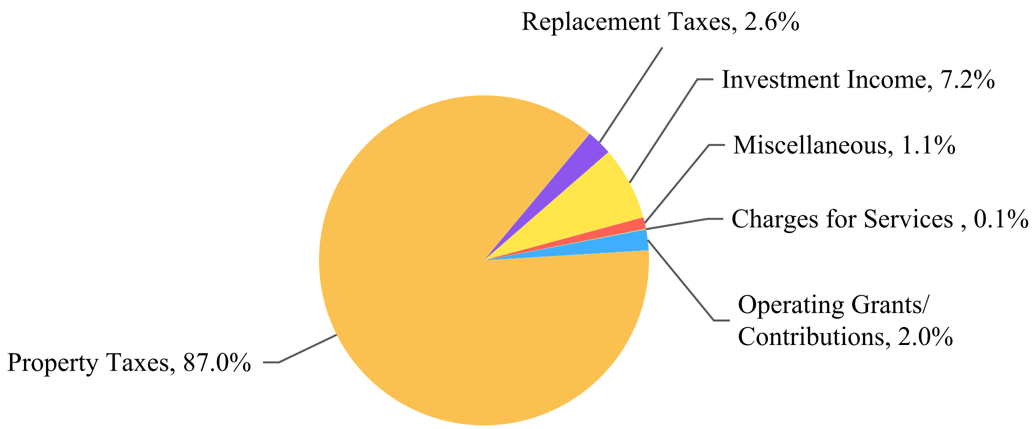
In the current year, governmental net position increased $4,574,887, or 14.1 percent. Property taxes increased $1,037,797 over the prior year ($17,051,820 in 2025 compared to $16,014,023 in 2024). Expenses increased from the prior year by $1,114,879 ($15,020,074 in 2025 compared to $13,905,195 in 2024).

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

The following table graphically presents the major revenue sources of the District in 2025. It depicts very clearly the reliance on property taxes to fund governmental activities. It also clearly identifies the percentage the District receives in revenue from investment income and grants.

Revenues by Source - Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of $30,275,541, which is 106.6 percent higher than last year's ending fund balance of $14,652,099.

The increase in the General Fund was driven by the District purposely leaving staff positions open, and certain funds unexpended, due directly to our Eola Road Branch renovation timeline and expenditures. In addition, some operational expenditures also rolled into the Eola Road Branch renovation costs; which kept operational expenditures under budget.

The increase in the Special Reserve Fund was due to a concentrated effort to grow the District's special reserve in anticipation of upcoming capital projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there were no supplemental amendments made to the budget for the General Fund.

The General Fund actual revenues came in higher than budgeted revenues. Actual revenues for the current year were $19,249,138, compared to budgeted revenues of $18,625,000. This was mainly due to investment income coming in significantly over budget ($565,300 budgeted compared to $1,061,895 actual).

The General Fund actual expenditures were less than budgeted expenditures. Actual expenditures totaled $14,397,491, while budgeted expenditures totaled $17,125,000. All expenditure categories spent less than budgeted, the categories which had the highest impact on the District's surplus were personnel services, utilities, library materials, and facilities.

CAPITAL ASSETS

The District's investment in capital assets for its governmental activities as of June 30, 2025 was $36,722,415 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, building and improvements, machinery and equipment, vehicles, and lease asset - automated materials handler.

	Capital Assets - Net of Depreciation	
	6/30/2025	6/30/2024
Land	$ 3,378,686	3,378,686
Construction in Progress	3,439,994	185,486
Buildings and Improvements	28,605,280	29,396,644
Machinery and Equipment	220,614	368,933
Vehicles	573,756	625,918
Lease Asset - Automated Materials Handler	504,085	630,107
Total	36,722,415	34,585,774

This year's additions to capital assets included the following:

Construction in Progress	$ 3,254,508

Additional information on the District's capital assets can be found in Note 3 of this report.

DEBT ADMINISTRATION

At year-end, the District had total outstanding debt of $28,208,088 as compared to $15,994,252 the previous year, an increase of 76.4 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	6/30/2025	6/30/2024
Intergovernmental Payable - General Obligation Bonds	$ 14,705,000	15,380,000
General Obligation Bonds	13,000,000	—
Lease Payable	503,088	614,252
	28,208,088	15,994,252

State statutes limit the amount of general obligation governmental entity may issue to 2.875 percent of its total assessed valuation. The current debt limit for the District is $169,079,620.

Additional information on the District's long-term debt can be found in Note 3 of this report.

FACTORS BEARING ON THE DISTRICT'S FUTURE

Over the last three fiscal years, the District, intentionally increased contributions to the Special Reserve Fund, in anticipation of upcoming renovation expenses for the Eola Road Branch and West Branch. These capital projects will create additional space, and future service benefits. Current and future generations of Aurora residents will benefit greatly from these capital improvements to the library's branch locations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Ms. Michaela Haberkern, Executive Director, Aurora Public Library District, 101 South River Street, Aurora, Illinois 60506.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
    - Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

Statement of Net Position
June 30, 2025

See Following Page

Statement of Net Position
June 30, 2025

	Governmental Activities	Component Unit Foundation*
ASSETS		
Current Assets		
Cash and Investments	$ 39,634,013	5,293,807
Receivables - Net of Allowances	8,977,056	—
Prepaids	354,591	—
Total Current Assets	48,965,660	5,293,807
Noncurrent Assets		
Capital Assets		
Nondepreciable	6,818,680	—
Depreciable/Amortizable	42,920,239	—
Accumulated Depreciation/Amortization	(13,016,504)	—
Total Capital Assets	36,722,415	—
Promises to Give	—	19,236
Total Noncurrent Assets	36,722,415	19,236
Total Assets	85,688,075	5,313,043
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - IMRF	1,900,004	—
Deferred Items - RBP	26,607	—
Total Deferred Outflows of Resources	1,926,611	—
Total Assets and Deferred Outflows of Resources	87,614,686	5,313,043

*As of December 31, 2024

	Governmental Activities	Component Unit Foundation*
LIABILITIES		
Current Liabilities		
Accounts Payable	$ 359,929	10,161
Accrued Payroll	221,523	—
Retainage Payable	248,831	—
Current Portion of Long-Term Debt	1,303,821	—
Total Current Liabilities	2,134,104	10,161
Noncurrent Liabilities		
Compensated Absences Payable	375,814	—
Net Pension Liability - IMRF	1,920,387	—
Total OPEB Liability - RBP	116,608	—
Intergovernmental Payable - Net	14,224,921	—
General Obligation Bonds - Net	13,437,197	—
Lease Payable	386,366	—
Total Noncurrent Liabilities	30,461,293	—
Total Liabilities	32,595,397	10,161
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	17,859,836	—
Deferred Items - IMRF	38,716	—
Deferred Items - RBP	38,232	—
Total Deferred Inflows of Resources	17,936,784	—
Total Liabilities and Deferred Inflows of Resources	50,532,181	10,161
NET POSITION		
Net Investment in Capital Assets	17,579,380	—
Restricted		
Donor Restrictions	—	4,630,009
Unrestricted	19,503,125	672,873
Total Net Position	37,082,505	5,302,882

The notes to the financial statements are an integral part of this statement.

Statement of Activities
For the Fiscal Year Ended June 30, 2025

		Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
Culture and Recreation	$ 13,971,832	11,825	399,618	—
Interest on Long-Term Debt	1,048,242	—	—	—
Total Primary Government	15,020,074	11,825	399,618	—
Component Unit				
Aurora Public Library Foundation*	410,522	—	—	342,389

General Revenues
Taxes
Property Taxes
Intergovernmental - Unrestricted
Replacement Taxes
Investment Income
Miscellaneous

Change in Net Position

Net Position - Beginning

Net Position - Ending

*As of Fiscal Year Ended December 31, 2024

The notes to the financial statements are an integral part of this statement.

Primary Government Net (Expenses)/ Revenues and Changes in Net Position	Component Unit Foundation
(13,560,389)	—
(1,048,242)	—
(14,608,631)	—
—	(68,133)
17,051,820	—
500,000	—
1,407,718	603,099
223,980	—
19,183,518	603,099
4,574,887	534,966
32,507,618	4,767,916
37,082,505	5,302,882

The notes to the financial statements are an integral part of this statement.

Balance Sheet - Governmental Funds
June 30, 2025

	General	Capital Projects Special Reserve	Totals
ASSETS			
Cash and Investments	$ 23,254,419	16,379,594	39,634,013
Receivables - Net of Allowances			
Taxes	8,710,757	—	8,710,757
Intergovernmental	266,299	—	266,299
Due from Other Funds	—	1,589,940	1,589,940
Prepaids	354,591	—	354,591
Total Assets	32,586,066	17,969,534	50,555,600
LIABILITIES			
Accounts Payable	(3,726)	363,655	359,929
Accrued Payroll	221,523	—	221,523
Retainage Payable	—	248,831	248,831
Due to Other Funds	1,589,940	—	1,589,940
Total Liabilities	1,807,737	612,486	2,420,223
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	17,859,836	—	17,859,836
Total Liabilities and Deferred Inflows of Resources	19,667,573	612,486	20,280,059
FUND BALANCES			
Nonspendable	354,591	—	354,591
Assigned	—	17,357,048	17,357,048
Unassigned	12,563,902	—	12,563,902
Total Fund Balances	12,918,493	17,357,048	30,275,541
Total Liabilities, Deferred Inflows of Resources and Fund Balances	32,586,066	17,969,534	50,555,600

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities
June 30, 2025

Total Governmental Fund Balances	$ 30,275,541
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	36,722,415
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	1,861,288
Deferred Items - RBP	(11,625)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(469,768)
Net Pension Liability - IMRF	(1,920,387)
Total OPEB Liability - RBP	(129,753)
Intergovernmental Payable - Net	(14,914,921)
General Obligation Bonds Payable - Net	(13,827,197)
Lease Payable	(503,088)
Net Position of Governmental Activities	37,082,505

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2025

	General	Capital Projects Special Reserve	Totals
Revenues			
Taxes	$ 17,051,820	—	17,051,820
Intergovernmental	899,618	—	899,618
Licenses, Permits and Fees	6,765	—	6,765
Fines and Forfeits	5,060	—	5,060
Donations	—	—	—
Investment Income	1,061,895	345,823	1,407,718
Miscellaneous	223,980	—	223,980
Total Revenues	19,249,138	345,823	19,594,961
Expenditures			
Culture and Recreation	12,697,182	3,254,508	15,951,690
Debt Service			
Principal Retirement	786,164	—	786,164
Interest and Fiscal Charges	914,145	147,217	1,061,362
Total Expenditures	14,397,491	3,401,725	17,799,216
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,851,647	(3,055,902)	1,795,745
Other Financing Sources (Uses)			
Debt Issuance	—	13,000,000	13,000,000
Premium on Bond	—	827,197	827,197
Disposal of Capital Asset	500	—	500
Transfers In	—	1,500,000	1,500,000
Transfers Out	(1,500,000)	—	(1,500,000)
	(1,499,500)	15,327,197	13,827,697
Net Change in Fund Balances	3,352,147	12,271,295	15,623,442
Fund Balances - Beginning	9,566,346	5,085,753	14,652,099
Fund Balances - Ending	12,918,493	17,357,048	30,275,541

The notes to the financial statements are an integral part of the statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$ 15,623,442
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	3,254,508
Depreciation Expense	(1,117,867)
Disposals - Cost	(210,059)
Disposals - Accumulated Depreciation	210,059
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(36,743)
Change in Deferred Items - RBP	(4,889)
The issuance of long-term debt provides current financial resources to governmental funds, While the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences Payable	(68,754)
Change in Net Pension Liability - IMRF	(58,265)
Change in Total OPEB Liability - RBP	11,368
Retirement of Long-Term Debt	786,164
Amortization of Bond Premium	13,120
Issuance of Debt - Net	(13,827,197)
Changes in Net Position of Governmental Activities	4,574,887

The notes to the financial statements are an integral part of the statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Aurora Public Library District's (the District) government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established in GAAP and used by the District are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there is one discretely component unit to include in the reporting entity.

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 and GASB Statement No. 84 but do not meet the criteria for blending.

The Aurora Public Library Foundation

The Aurora Public Library Foundation (the Foundation) is an Illinois not-for-profit corporation, established to create a secure future for the District and to promote community enrichment education by encouraging private support to the District. The Foundation is a discretely presented component unit because the resources received and held by the Foundation are entirely for the direct benefit of the District, the District has the ability to access those resources, and those resources are significant to the District. The assets, liabilities, net position, revenues, and expenditures of the Foundation are included in the basic financial statements of the District and are for the fiscal year ended December 31, 2024. The Foundation issues financial statements, which may be obtained by contacting the Aurora Public Library Foundation, 101 S. River Street, Aurora, Illinois 60506.

BASIS OF PRESENTATION

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds).

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (culture and recreation, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, charges for services, interest income, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is a primary operating fund of the District or meets the following criteria:

> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.
>
> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Special Reserve Fund, a major fund, is used to account for funds committed for future capital maintenance, replacements, and improvements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the "economic resources" measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, investment income revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/ FUND BALANCE

Cash and Investments

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/ FUND BALANCE - Continued

Prepaids

Prepaids are valued at cost, which approximates market. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of $50,000 or more (depending on asset class) are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized/amortized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation/amortization on all assets is computed and recorded using the straight-line method of depreciation/ amortization over the following estimated useful lives:

Buildings and Improvements	20 - 65 Years
Machinery and Equipment	5 - 15 Years
Vehicles	8 Years
Lease Asset - Automated Materials Handler	6 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned and is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation and sick leave of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/ FUND BALANCE - Continued

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The District's budget represents departmental expenditures and estimated revenues for the General Fund. The Special Reserve Fund was not budgeted for in fiscal year ending June 30, 2025. The budget is adopted on the modified accrual basis consistent with GAAP. The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District submits to the Board of Library Trustees a proposed budget for the District. The proposed budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain citizen comments.
3. No later than the fourth Tuesday of September of the year preceding the budget year the budget is legally enacted through passage of an ordinance.
4. Upon request by the Executive Director of the Library, the Treasurer may transfer budgeted amounts between objects within a fund. The budget of any fund may be amended by a majority vote of the Board of Library Trustees. The level of budgetary control is the fund level. The District reports the original and final amended budget.
5. All budgetary authority lapses at year end.

There were no budget amendments for the year-ended June 30, 2025.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds.

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Trust.

The Illinois Trust was established for the purpose of allowing various public agencies including, but not limited to, counties, townships, cities, towns, villages, school districts, housing authorities and public water supply districts, to jointly invest funds in accordance with the Laws of the State of Illinois. Participation in the Illinois Trust is voluntary. The Illinois Trust is not registered with the SEC as an Investment Company. Investments in the Illinois Trust are valued at the share price, the price for which the investment could be sold.

Deposits. At year-end, the carrying amount of the District’s deposits totaled $6,888,942 and the bank balances totaled $7,613,302.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Investments. The District has the following investment fair values and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	$ 8,412,634	8,412,634	—	—	—
Illinois Trust	24,332,437	24,332,437	—	—	—
Totals	32,745,071	32,745,071	—	—	—

The District has the following recurring fair value measurements year- end:

- U.S. Treasury Securities of $8,412,634 are valued using quoted market prices (Level 1 inputs)
- Illinois Trust of $24,332,437 are valued at the net asset value (NAV)

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District structures the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the District does not directly invest in securities maturing more than three years from the date of purchase.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District limits its exposure to credit risk, by primarily investing in U.S. Treasury obligations and U.S. Government agency notes and state and local obligations rated in the highest three categories by national rating agencies. At year-end, the District's investments in the Illinois Trust were rated AAAf by Fitch.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy requires diversification to the best of its ability. The investment portfolio shall not exceed 10% of Commercial Paper and 50% of the Illinois Funds. At year-end, the District does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral with a fair value of 103% of all bank balances in excess of federal depository insurance with collateral held by the District's agent in the District's name. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Library's agent separate from where the investment was purchased. The Illinois Trust is not subject to custodial credit risk.

PROPERTY TAXES

Property taxes for 2024 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a Tax Levy Ordinance), October 23 in the current fiscal year. Tax bills are prepared by the Counties and are payable in two installments, on or about June 1 and September 1 of the following year. The 2024 levy is intended to finance the 2026 fiscal year and, therefore, is reported as unavailable/deferred revenue at June 30, 2025

INTERFUND BALANCES

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
Special Reserve	General	$ 1,589,940

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Special Reserve	General	$ 1,500,000

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 3,378,686	—	—	3,378,686
Construction in Progress	185,486	3,254,508	—	3,439,994
	3,564,172	3,254,508	—	6,818,680
Depreciable/Amortizable Capital Assets				
Buildings and Improvements	39,568,383	—	—	39,568,383
Machinery and Equipment	1,969,811	—	—	1,969,811
Vehicles	835,975	—	210,059	625,916
Lease Asset - Automated Materials Handler	756,129	—	—	756,129
	43,130,298	—	210,059	42,920,239
Less Accumulated Depreciation/Amortization				
Buildings and Improvements	10,171,739	791,364	—	10,963,103
Machinery and Equipment	1,600,878	148,319	—	1,749,197
Vehicles	210,057	52,162	210,059	52,160
Lease Asset - Automated Materials Handler	126,022	126,022	—	252,044
	12,108,696	1,117,867	210,059	13,016,504
Total Net Depreciable/ Amortizable Capital Assets	31,021,602	(1,117,867)	—	29,903,735
Total Net Capital Assets	34,585,774	2,136,641	—	36,722,415

Depreciation/amortization expense of $1,117,867 was charged to culture and recreation function.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

Intergovernmental Payable - General Obligation Bonds

The City of Aurora issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City of Aurora. The City of Aurora and the District have an intergovernmental agreement for the District's portion of the bonds. The portion of the District's general obligation bonds currently outstanding are as follows:

Issue	Fund Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Intergovernmental Payable - General Obligation Library Bonds of 2012A - Due in annual installments of $145,000 to $1,095,000 plus interest at 3.00% to 4.00% through December 30, 2041.	General	$ 15,380,000	—	675,000	14,705,000

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Fund Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds (ARS) of 2024 - Due in annual installments of $390,000 to $965,000 plus interest at 4.00% to 5.00% through December 30, 2044.	General	$ —	13,000,000	—	13,000,000

Lease Payable

The District has the following lease outstanding at year end:

Lease	Start Date	End Date	Payments	Interest Rate
Bibliatheca, LLC - Book Sorter	February 26, 2024	February 26, 2029	$141,877 Annually	5.00%

There were no variable or other payments not previously included in the measurement of the leases receivable recognized in the current year.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Lease Payable - Continued

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities Principal	Governmental Activities Interest
2026	$ 116,722	25,154
2027	122,559	19,318
2028	128,686	13,190
2029	135,121	6,756
	503,088	64,418

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	$ 401,014	68,754	—	469,768	93,954
Net Pension Liability - IMRF	1,862,122	58,265	—	1,920,387	—
Total OPEB Liability - RBP	141,121	—	11,368	129,753	13,145
Intergovernmental Payable					
General Obligation Bonds	15,380,000	—	675,000	14,705,000	690,000
Plus: Unamortized Premium	223,041	—	13,120	209,921	—
General Obligation Bonds	—	13,000,000	—	13,000,000	390,000
Plus: Unamortized Premium	—	827,197	—	827,197	—
Lease Payable	614,252	—	111,164	503,088	116,722
	18,621,550	13,954,216	810,652	31,765,114	1,303,821

The net pension liability, the total OPEB liability, the intergovernmental payable - general obligation bonds, the general obligation bonds, and the lease payable are generally liquidated by the General Fund.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Intergovernmental Payable General Obligations Principal	Intergovernmental Payable General Obligations Interest	General Obligation Bonds Principal	General Obligation Bonds Interest
2026	$ 690,000	498,767	390,000	572,950
2027	710,000	477,768	410,000	552,950
2028	725,000	456,243	430,000	531,950
2029	745,000	434,194	450,000	509,950
2030	760,000	411,144	480,000	486,700
2031	780,000	387,081	500,000	462,200
2032	805,000	361,813	530,000	436,450
2033	825,000	335,325	555,000	409,325
2034	850,000	307,575	585,000	380,825
2035	875,000	278,466	615,000	350,825
2036	900,000	247,950	645,000	319,325
2037	925,000	216,013	680,000	286,200
2038	955,000	183,113	715,000	254,900
2039	990,000	146,600	750,000	225,600
2040	1,020,000	106,400	790,000	194,800
2041	1,055,000	64,900	825,000	162,500
2042	1,095,000	21,900	860,000	128,800
2043	—	—	895,000	93,700
2044	—	—	930,000	57,200
2045	—	—	965,000	19,300
	14,705,000	4,935,252	13,000,000	6,436,450

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "…no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2024	$ 5,881,030,250
Legal Debt Limit - 2.875% of Equalized Assessed Value	169,079,620
Amount of Debt Applicable to Limit	—
Legal Debt Margin	169,079,620

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Minimum Fund Balance Policy. The District's policy manual states that the General Fund should maintain a minimum fund balance equal to 50% of the previous fiscal year's budgeted operating expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Capital Projects Special Reserve	Totals
Fund Balances			
Nonspendable			
Prepaids	$ 354,591	—	354,591
Assigned			
Capital Projects	—	17,357,048	17,357,048
Unassigned	12,563,902	—	12,563,902
Total Fund Balances	12,918,493	17,357,048	30,275,541

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of June 30, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 36,722,415
Plus: Unspent Bond Proceeds	10,714,657
Less Capital Related Debt:	
Intergovernmental Payable - General Obligation Bonds of 2012A	(14,705,000)
General Obligation Bonds (ARS) of 2024	(13,000,000)
Unamortized Bond Premium	(1,037,118)
Lease Payable	(503,088)
Capital Related Accounts Payable	(363,655)
Retainage Payable	(248,831)
Net Investment in Capital Assets	17,579,380

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the District's employees. The District has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. All three IMRF benefit plans have two tiers. Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	25
Inactive Plan Members Entitled to but not yet Receiving Benefits	41
Active Plan Members	133
Total	199

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2025, the District's contribution was 7.86% of covered payroll.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2024, using the following actuarial methods and assumptions:

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	5.20%
Domestic Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Real Estate	10.50%	6.40%
Blended	12.50%	4.85% - 6.25%
Cash and Cash Equivalents	1.00%	3.60%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 2,734,926	1,920,387	1,242,068

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	$ 3,616,022	1,753,900	1,862,122
Changes for the Year:			
Service Cost	496,382	—	496,382
Interest on the Total Pension Liability	278,804	—	278,804
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	212,295	—	212,295
Changes of Assumptions	—	—	—
Contributions - Employer	—	486,353	(486,353)
Contributions - Employees	—	271,529	(271,529)
Net Investment Income	—	144,750	(144,750)
Benefit Payments, Including Refunds of Employee Contributions	(37,291)	(37,291)	—
Other (Net Transfer)	—	26,584	(26,584)
Net Changes	950,190	891,925	58,265
Balances at December 31, 2024	4,566,212	2,645,825	1,920,387

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the District recognized pension expense of $595,580. At June 30, 2025, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 1,619,290	—	1,619,290
Change in Assumptions	—	(38,716)	(38,716)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	33,414	—	33,414
Total Pension Expense to be Recognized in Future Periods	1,652,704	(38,716)	1,613,988
Pension Contributions Made Subsequent to the Measurement Date	247,300	—	247,300
Total Deferred Amounts Related to IMRF	1,900,004	(38,716)	1,861,288

$247,300 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2026	$ 262,696
2027	260,883
2028	247,906
2029	248,553
2030	246,656
Thereafter	347,294
Total	1,613,988

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The District's defined benefit OPEB plan, Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time general employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a separate report.

Benefits Provided. The Retiree Benefits Plan provides healthcare benefits for retirees. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Eligibility in library sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. The retiree pays the full premium, but not an age adjusted premium, which creates an implicit subsidy to the Library.

Plan Membership. As of June 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	81
Total	82

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	Varies by Service
Discount Rate	4.81%
Healthcare Cost Trend Rates	6.75% Initial 4.00% Ultimate
Retirees' Share of Benefit-Related Costs	100% Regular Plan

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued. The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index.

Mortality rates were based on the PubG-2010 amount-weighted, below-median income with scale MP-2021.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2024	$ 141,121
Changes for the Year:	
Service Cost	3,449
Interest on the Total OPEB Liability	5,812
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(7,484)
Benefit Payments	(13,145)
Other Changes	—
Net Changes	(11,368)
Balance at June 30, 2025	129,753

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 4.81%, while the prior valuation used 4.21%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
Total OPEB Liability	$ 142,515	129,753	118,365

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using the Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	$ 115,010	129,753	146,814

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the District recognized OPEB expense of $6,666. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 14,020	(10,608)	3,412
Change in Assumptions	12,587	(27,624)	(15,037)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	26,607	(38,232)	(11,625)

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2026	$ (3,799)
2027	(96)
2028	(1,827)
2029	(2,567)
2030	(2,569)
Thereafter	(767)
	(11,625)

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT

The Aurora Public Library Foundation (the Foundation) is a nonprofit organization incorporated April 3, 2002, whose mission is to support the Library in their effort of supporting lifelong learning and access to information, knowledge and ideas.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting in which revenue is recognized when earned and expenses are recognized when incurred.

Net Assets

Net assets of the Foundation and changes therein are classified and reported as follows:

> Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the Board of Directors.

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Assets - Continued

Net Assets with Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Investments

For the purpose of the Statement of Financial Position and Statement of Cash Flows, the Foundation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase. Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of a given measurement date. Fair value measurements are based on three-level hierarchy based on the reliability of observable and unobservable inputs as follows:

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.
Level 2 - Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose significant inputs are observable.
Level 3 - Valuations are based on unobservable inputs for the assets or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the asset or liability.

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributed Revenue

The Foundation recognizes revenue as it satisfies a performance obligation by transferring control over a product or a service to a customer. Revenue is measured at the transaction price, which is based on the amount of consideration that the Foundation expects to receive in exchange for transferring the promised good or service to the customer. Program fees and payments under cost-reimbursable contracts in advance are deferred to the applicable period in which the related services are performed, or expenses are incurred, respectively.

A portion of the Foundation's revenue is derived from cost-reimbursable state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has incurred expenses in compliance with specific contract or grant provisions.

Income Taxes

The Foundation has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code pursuant to a determination letter issued in April 2002. Accordingly, no provision for income tax is included in the financial statements.

The Foundation has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2015, 2016 and 2017 tax years. However, the Foundation is not currently under audit nor has the Foundation been contacted by any jurisdiction. Based on the evaluation of the Foundation’s tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the year ended December 31, 2024.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Functional expenses which are not directly attributable to one function are allocated between program, management and general, and fundraising services based on the number of employees involved, the amount of time spent, the percentage of their salary associated with the time and on estimated made by the Foundation’s management.

At various times the Foundation transfers funds to the Community Foundation of the Fox River Valley (the Community Foundation) that are held in accounts of which the Foundation is the beneficiary. The Foundation has the right to make written suggestions to the Community Foundation as to the distribution of any of the principal or income of these accounts to the Foundation or other charitable organizations. The Foundation has granted variance power to the Community Foundation. The variance power gives the Community Foundation the right to vary the purpose or use of the funds, upon 30 days written notice to the Foundation. The Community Foundation also has the right to distribute the funds to another not-for-profit organization if the Foundation ceases to exist. The Foundation’s beneficial interest in assets held by other is recorded at fair value on a recurring basis.

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

CASH AND INVESTMENTS

At December 31, 2024, the carrying amount of the Foundation's cash deposits totaled $540,510 and the bank balances totaled $540,833. The entire balance of deposits was fully insured by federal deposit insurance.

The Foundation's investments at December 31, 2024 consisted of the following:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	$ 74,267	74,267	—	—	—
Exchange Traded Funds	61,790	61,790	—	—	—
	136,057	136,057	—	—	—

The fair values of assets measured on a recurring basis at December 31, 2024 are as follows:

		Fair Value Measurements Using		
Investments by Fair Value Level	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Securities	$ 74,267	74,267	—	—
Exchange Traded Funds	61,790	—	61,790	—
	136,057	74,267	61,790	—

Investments held with the Community Foundation, totaling $4,617,240 at December 31, 2024, are classified as beneficial interest in assets held by others in the Statement of Financial Position. Under terms of the agreement, the Foundation granted variance power to the Community Foundation at the time of the transfer. This power allows the Community Foundation to comingle the Foundation's investment with other Community Foundation assets in accordance with their investment policy.

The beneficial interest in assets held by others is recorded at its fair value. For financial accounting purposes, there is a three-level valuation hierarchy for fair value measurements. The hierarchy is broken down into three levels based on the reliability of observable and unobservable inputs as follows:

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

CASH AND INVESTMENTS - Continued

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2 - Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in market that are not active; and model-derived valuations whose significant inputs are observable.

Level 3 - Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the assets or liability.

Following is a description of the valuation methodologies used for beneficial interest in assets held by others measured at fair value, as well as their general classification pursuant to the valuation hierarchy:

Investments held with the Community Foundation are comingled by the Community Foundation in an investment pool for all its funds which consists primarily of marketable equity securities, mutual funds, United States government and agency securities, and corporate debt securities. No specific securities are designated for a specific fund. Realized gains/losses, unrealized gains/losses, and dividend and interest income are divided monthly on a prorated basis across all funds of the Community Foundation. Accordingly, these assets are categorized in Level 2 of the fair value hierarchy.

AVAILABILITY AND LIQUIDITY

The following represents the Foundation's financial assets at December 31, 2024:

Financial Assets at Year End:	
Cash and Investments	$ 676,567
Beneficial Interest Held by Others	4,617,240
	5,293,807
Less Amounts not Available to be used within one year	
Net Assets with Donor Restrictions	4,630,009
Financial Assets Available to Meet General Expenses	
over the Next Twelve Months	663,798

The Foundation monitors its operating needs to ensure that adequate account balances are maintained at all times. In addition to financial assets available to meet general expenses over the next 12 months. The Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenses not covered by donor-restricted resources.

The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expense.

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

PROMISES TO GIVE

Promises to give consist of the following at:

In One Year or Less	$	—
Between One Year and Five Years		19,972
Less Discount		(736)
		19,236

All promises to give are considered collectible, thus no allowance for uncollectible promises to give has been recorded. Promises to give are recorded after discounting at a risk adjusted rate of 3.84% to the present value of the future cash flows.

ENDOWMENT

The Foundation's endowment consists of donor-restricted endowment funds. As required by USGAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restriction until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. There were no amounts appropriated as of December 31, 2024.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation's spending policy provides that only the income from endowments may be used for the general purposes of the Foundation, with the Foundation withdrawing current income as it is needed.

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Foundation is required to retain as a fund of perpetual duration pursuant to donor stipulation or Illinois UPMIFA. Such endowments are often referred to as "underwater" endowments. As of December 31, 2024, the Foundation's underwater endowments were $0.

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

ENDOWMENT - Continued

The Foundation has interpreted Illinois UPMIFA to permit spending from underwater endowments in accordance with prudent measures required by law.

The endowment includes pledge receivables that are permanently restricted.

The Foundation maintains a pooled investment account for its endowment. Investment income and realized and unrealized gains and losses from securities in the pooled investment account are allocated annually to the endowment based on the relationship of the beginning of the year fair value of the interest of the endowment to the total value of the pooled investment account.

Endowment with donor restricted net asset composition by type of fund as of December 31, 2024:

Donor-Restricted	$ 4,615,009

During the year ended December 31, 2024, the Foundation had the following endowment related activities:

Endowment Net Assets, Beginning of Year	$ 4,088,095
Contributions	—
Investment Return	526,914
Endowment Net Assets, Ending of Year	4,615,009

NET ASSETS

Without Donor Restrictions

Net Assets without donor restrictions was comprised of the following:

Without Donor Restrictions	$ 672,873

NOTE 5 - DISCRETELY PRESENTED COMPONENT UNIT - Continued

NET ASSETS - Continued

With Donor Restrictions

Net Assets with donor restrictions was comprised of the following:

With Donor Restrictions		
Promises to Give	$	—
Technology Community Classes		15,000
Endowment		
Aurora Public Library		1,026,852
Promises to Give		19,236
Beneficial Interest in Assets Held by Others		3,568,921
		4,630,009

RELATED PARTY TRANSACTIONS

The Foundation provided grants to the Aurora Public Library (a related party) in the amounts of $81,913 during the year ended December 31, 2024. The Aurora Public Library provides accounting and other administrative services without charge to the Foundation. Foundation officials estimate the value of these services for the year ended December 31, 2024 to be $142,160. The value of grants to the library is reflected in the statement of functional expenses. The value of the transfer from affiliates is reflected in the statement of activities.

The Foundation provided grants to the Aurora Public Library (a related party) in the amounts of $247,479 during the year ended December 31, 2023. The Aurora Public Library provides accounting and other administrative services without charge to the Foundation. Foundation officials estimate the value of these services for the year ended December 31, 2023 to be $135,200. The value of grants to the library is reflected in the statement of functional expenses. The value of the transfer from affiliates is reflected in the statement of activities.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions - Last Ten Fiscal Years
  Illinois Municipal Retirement Fund

- Schedule of Changes in the Employer's Net Pension Liability - Last Ten Measurement Years
  Illinois Municipal Retirement Fund

- Schedule of Changes in the Employer's Total OPEB Liability - Last Ten Fiscal Years
  Retiree Benefit Plan

- Budgetary Comparison Schedule
  General Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

Illinois Municipal Retirement Fund
Schedule Employer Contributions - Last Ten Fiscal Years
June 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2016	$ 692,190	$ 692,190	$ —	$ 5,147,634	13.45%
12/31/2017	689,116	689,116	—	5,172,395	13.32%
12/31/2018	639,445	639,445	—	4,907,414	13.03%
12/31/2019	573,448	573,448	—	4,974,150	11.53%
2020*	372,528	372,528	—	2,750,206	13.55%
2021	723,637	723,637	—	5,557,403	13.02%
2022	546,960	546,960	—	5,258,338	10.40%
2023	500,989	500,989	—	5,654,778	8.86%
2024	473,640	473,640	—	5,945,348	7.97%
2025	500,572	500,572	—	6,368,498	7.86%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

*Library fiscal year changed to June 30, 2020 and is no longer a component unit of the City. This is for the stub year from January 1, 2020 to June 30, 2020.

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Measurement Years
June 30, 2025

		12/31/2015	12/31/2015	12/31/2017
Total Pension Liability				
Service Cost	$	N/A	N/A	N/A
Interest		N/A	N/A	N/A
Differences Between Expected and Actual Experience and Actual Experience		N/A	N/A	N/A
Change of Assumptions		N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions		N/A	N/A	N/A
Net Change in Total Pension Liability		N/A	N/A	N/A
Total Pension Liability - Beginning		N/A	N/A	N/A
Total Pension Liability - Ending		N/A	N/A	N/A
Plan Fiduciary Net Position				
Contributions - Employer	$	N/A	N/A	N/A
Contributions - Members		N/A	N/A	N/A
Net Investment Income		N/A	N/A	N/A
Benefit Payments, Including Refunds of Member Contributions		N/A	N/A	N/A
Other (Net Transfer)		N/A	N/A	N/A
Net Change in Plan Fiduciary Net Position		N/A	N/A	N/A
Plan Net Position - Beginning		N/A	N/A	N/A
Plan Net Position - Ending		N/A	N/A	N/A
Employer's Net Pension Liability	$	5,538,929	4,984,564	2,112,998
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		81.30%	83.80%	92.80%
Covered Payroll	$	5,042,151	5,009,356	4,762,350
Employer's Net Pension Liability as a Percentage of Covered Payroll		109.85%	99.51%	44.37%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

The Library had it's first actuarial valuation performed for the IMRF plan year ended December 31, 2021, as a result of becoming a separate library district for the fiscal year ended June 30, 2021. This schedule presents the IMRF proportionate share of the City of Aurora's net pension liability through the 2020 plan year.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
N/A	N/A	N/A	—	497,651	494,673	496,382
N/A	N/A	N/A	(6)	173,325	224,519	278,804
N/A	N/A	N/A	2,144,292	47,905	106,439	212,295
N/A	N/A	N/A	—	—	(50,088)	—
N/A	N/A	N/A	(159)	(4,520)	(18,009)	(37,291)
N/A	N/A	N/A	2,144,127	714,361	757,534	950,190
N/A	N/A	N/A	—	2,144,127	2,858,488	3,616,022
N/A	N/A	N/A	2,144,127	2,858,488	3,616,022	4,566,212
N/A	N/A	N/A	182,230	524,331	474,501	486,353
N/A	N/A	N/A	84,366	242,746	259,763	271,529
N/A	N/A	N/A	—	(20,610)	97,726	144,750
N/A	N/A	N/A	(159)	(4,520)	(18,009)	(37,291)
N/A	N/A	N/A	(16,102)	(42,079)	(10,284)	26,584
N/A	N/A	N/A	250,335	699,868	803,697	891,925
N/A	N/A	N/A	—	250,335	950,203	1,753,900
N/A	N/A	N/A	250,335	950,203	1,753,900	2,645,825
6,209,632	3,485,085	884,232	1,893,792	1,908,285	1,862,122	1,920,387
80.50%	89.46%	97.40%	11.68%	33.24%	48.50%	57.94%
4,892,463	4,974,263	4,999,870	1,874,800	5,394,352	5,772,505	6,034,147
126.92%	70.06%	17.69%	101.01%	35.38%	32.26%	31.83%

Retiree Benefit Plan
Schedule of Changes in the Employer's Total OPEB Liability - Last Ten Fiscal Years
June 30, 2025

		12/31/2016	12/31/2017	12/31/2018
Total OPEB Liability				
Service Cost	$	16,383	16,281	16,364
Interest		12,891	11,534	11,563
Changes in Benefit Terms		—	—	—
Differences Between Expected and Actual Experience		(53,602)	—	(59,793)
Change of Assumptions or Other Inputs		12,819	8,602	(190,513)
Benefit Payments		(5,545)	(5,501)	(5,564)
Other Changes		—	—	—
Net Change in Total OPEB Liability		(17,054)	30,916	(227,943)
Total OPEB Liability - Beginning		308,654	291,600	322,516
Total OPEB Liability - Ending		291,600	322,516	94,573
Covered-Employee Payroll	$	4,169,974	4,195,828	4,169,974
Total OPEB Liability as a Percentage of Covered-Employee Payroll		6.99%	7.69%	2.27%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2016 through 2025.

*Library fiscal year changed to June 30, 2020 and is no longer a component unit of the City. This is for the stub year from January 1, 2020 to June 30, 2020.

12/31/2019	6/30/2020*	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
4,465	2,647	6,806	7,738	5,310	5,478	3,449
4,015	1,800	3,339	3,040	4,926	5,280	5,812
—	—	—	—	—	—	—
—	(22,956)	—	2,160	—	17,094	—
8,463	30,564	5,906	(26,759)	(522)	(7,815)	(7,484)
(2,232)	(1,205)	(2,912)	(3,116)	(2,396)	(2,570)	(13,145)
—	—	—	—	—	—	—
14,711	10,850	13,139	(16,937)	7,318	17,467	(11,368)
94,573	109,284	120,134	133,273	116,336	123,654	141,121
109,284	120,134	133,273	116,336	123,654	141,121	129,753
4,396,744	4,291,063	4,469,829	4,477,521	4,656,040	4,921,440	5,132,471
2.49%	2.80%	2.98%	2.60%	2.66%	2.87%	2.53%

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	$ 17,087,176	17,087,176	17,051,820	(35,356)
Intergovernmental				
Replacement Taxes	500,000	500,000	500,000	—
Grants	402,104	402,104	399,618	(2,486)
Licenses, Permits and Fees	8,000	8,000	6,765	(1,235)
Fines and Forfeits	5,900	5,900	5,060	(840)
Investment Income	565,300	565,300	1,061,895	496,595
Miscellaneous	56,520	56,520	223,980	167,460
Total Revenues	18,625,000	18,625,000	19,249,138	624,138
Expenditures				
Culture and Recreation				
Central Services	6,672,203	6,672,203	5,172,390	1,499,813
Santori Library	4,029,002	4,029,002	3,939,020	89,982
Eola Branch Library	2,480,978	2,480,978	1,989,184	491,794
West Branch Library	1,338,512	1,338,512	1,023,940	314,572
Outreach Services	649,908	649,908	572,648	77,260
Debt Service				
Principal Retirement	786,164	786,164	786,164	—
Interest and Fiscal Charges	1,168,233	1,168,233	914,145	254,088
Total Expenditures	17,125,000	17,125,000	14,397,491	2,727,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,500,000	1,500,000	4,851,647	3,351,647
Other Financing Sources (Uses)				
Disposal of Capital Assets	—	—	500	500
Transfers Out	(1,500,000)	(1,500,000)	(1,500,000)	—
	(1,500,000)	(1,500,000)	(1,499,500)	500
Net Change in Fund Balance	—	—	3,352,147	3,352,147
Fund Balance - Beginning			9,566,346	
Fund Balance - Ending			12,918,493	

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedule includes:

- Budgetary Comparison Schedule - Major Governmental Fund

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

CAPITAL PROJECTS

Capital Projects are used to account for all financial resources used for the acquisition or construction of major capital facilities, equipment and capital asset replacement.

Special Reserve Fund

The Special Reserve Fund is used to account for funds committed for future capital maintenance, replacements, and improvements.

General Fund
Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Culture and Recreation				
Central Services				
Personnel Services	$ 3,918,685	3,918,685	3,153,891	764,794
Materials and Supplies	772,425	772,425	666,366	106,059
Other Services and Charges	1,524,093	1,524,093	923,084	601,009
Capital Outlay	457,000	457,000	429,049	27,951
	6,672,203	6,672,203	5,172,390	1,499,813
Santori Library				
Personnel Services	2,536,920	2,536,920	2,827,041	(290,121)
Materials and Supplies	639,706	639,706	529,151	110,555
Other Services and Charges	565,948	565,948	366,967	198,981
Capital Outlay	286,428	286,428	215,861	70,567
	4,029,002	4,029,002	3,939,020	89,982
Eola Branch Library				
Personnel Services	1,421,399	1,421,399	1,469,841	(48,442)
Materials and Supplies	359,850	359,850	282,501	77,349
Other Services and Charges	683,083	683,083	220,436	462,647
Capital Outlay	16,646	16,646	16,406	240
	2,480,978	2,480,978	1,989,184	491,794
West Branch Library				
Personnel Services	671,942	671,942	719,179	(47,237)
Materials and Supplies	227,800	227,800	183,275	44,525
Other Services and Charges	417,420	417,420	99,163	318,257
Capital Outlay	21,350	21,350	22,323	(973)
	1,338,512	1,338,512	1,023,940	314,572
Outreach Services				
Personnel Services	476,845	476,845	414,082	62,763
Materials and Supplies	108,650	108,650	74,314	34,336
Other Services and Charges	48,413	48,413	71,712	(23,299)
Capital Outlay	16,000	16,000	12,540	3,460
	649,908	649,908	572,648	77,260
Total Culture and Recreation	15,170,603	15,170,603	12,697,182	2,473,421

General Fund
Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Debt Service				
Principal Retirement	$ 786,164	786,164	786,164	—
Interest and Fiscal Charges	1,168,233	1,168,233	914,145	254,088
	1,954,397	1,954,397	1,700,309	254,088
Total Expenditures	17,125,000	17,125,000	14,397,491	2,727,509