Message from the City Manager

A message to the Citizens of Auburn, Alabama:

I am pleased to present the City of Auburn’s Popular Annual Financial Report (PAFR) for the year ended September 30, 2021. Despite the lingering impact of the pandemic, the City experienced another year of revenue growth, largely due to Auburn’s diversified economy and the resiliency of the Auburn community. While small businesses continue to be the backbone of Auburn, technology and manufacturing sectors have grown tremendously. This continued business growth in tandem with residential growth has resulted in Auburn becoming the seventh-largest city in Alabama.

Mayor Ron Anders, Jr. and the City Council strive for continued capital investments and improvements for the City of Auburn and its citizens. This year is no exception with many capital projects for the City’s infrastructure, neighborhoods, downtown, and recreation facilities. Each year the City publishes a 6-year Capital Improvement Plan (CIP) that aligns with the City’s strategic plans and vision of our City Council. In fiscal year 2021, the City completed 32 major CIP projects as outlined on pages 13 and 14 of this report. The City of Auburn prides itself in its continued commitment to operating a fiscally sound local government in order to provide quality public services at a level commensurate with the demands of our residents as well as invest in the City’s future.

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

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

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

Sincerely,

Megan Crouch
City Manager
COMMUNITY VACCINE CLINIC
The City of Auburn partnered with East Alabama Health and the City of Opelika to open a Community Vaccine Clinic to help combat the COVID-19 virus. Hundreds from the community volunteered, with City of Auburn employees logging more than 4,200 hours to help run the clinic. Over 90,000 vaccines were administered over a four-month period, helping businesses stay open and citizens remain healthy.

ADDITIVE MANUFACTURING ACCELERATOR
The accelerator was established to aid industries and startups in creating and developing new products using 3D printing. Participants receive engineering and business consulting, access to additive machines, and a finished product prototype. The program is a collaboration between the City, the National Center for Additive Manufacturing Excellence, Auburn University, Auburn Training Connection, and manufacturing company SWIGRO, to further 3D printing innovation.

INSPECTION SERVICES
The Inspection Services department completed over 24,000 inspections with a total valuation of more than $416 million, 30% of which were commercial developments, 60% residential, and 10% property maintenance inspections. City inspectors completed an average of 95 inspections a day to ensure developments are meeting the City’s standards to create safe, reliable housing and businesses in our community.

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

The City of Auburn was 1 of 16 cities to receive the inaugural Leading the Way Award from the ETC Institute. This award is given for ranking in the top 10% of all cities and counties surveyed in the United States in three areas: satisfaction with the overall quality of services, satisfaction with customer service provided by employees, and satisfaction with the value residents think they received for local taxes and fees. The City had the #1 Satisfaction Rating for trash and garbage collection services out of 200+ surveyed communities, and also ranked in the top 10% in 14 other categories.
ABOUT AUBURN

COMMUNITY PROFILE

FOUNDED IN 1836
| POPULATION: 76,143

25.2
MEDIAN AGE

50.8%
OF THE POPULATION IS FEMALE

49.2%
OF THE POPULATION IS MALE

HISTORICAL POPULATION

1960
1970
1980
1990
2000
2010
2020

LABOR FORCE: 30,904
EMPLOYED: 30,268
UNEMPLOYMENT RATE: 2.1%
MEAN FAMILY INCOME: $120,712

EDUCATIONAL ATTAINMENT (POPULATION 25 YEARS & OLDER)

HIGH SCHOOL GRADUATE OR HIGHER: 97.3%
BACHELOR’S DEGREE: 34.2%
GRADUATE OR PROFESSIONAL DEGREE: 32.5%

To view the full community profile visit:
auburnalabama.org/economic-development/auburn-community-profile/

AUBURN’S NATIONAL RECOGNITION

2022: “THE SOUTH’S 3RD BEST COLLEGE TOWN”

2021: “#6 BEST METRO FOR ATTRACTING BUSINESS IN THE U.S.”

MILKEN INSTITUTE
2021: “17TH BEST PERFORMING SMALL CITY FOR ECONOMIC GROWTH IN THE U.S.”

2020: “THE MOST EDUCATED CITY IN ALABAMA” INSURIFY

LIVABILITY 2020: “TOP 100 BEST SMALL TO MID-SIZED CITIES TO LIVE IN THE U.S.”

2019: “5TH BEST CITY FOR ECONOMIC GROWTH POTENTIAL IN THE U.S.”
WHO SHOULD I CONTACT?

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

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

Water Service
Water Resource Management
334-501-3060
After Hours: 334-501-3100
webwtrswr@auburnalabama.org

Animal Control
Environmental Services
334-501-3090
After Hours: 334-501-3100
webenviro@auburnalabama.org

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

Parks & Recreation
Rent a Parks & Rec Facility
334-501-2933
webparksandrec@auburnalabama.org

Athletics
Parks & Recreation
Houston Manning, 334-501-2942
hmanning@auburnalabama.org

Report Right-Of-Way issues
Public Works
334-501-3000
webpw@auburnalabama.org

Recreational Programs
Parks & Recreation
Gabrielle Filgo, 334-501-2946
gfilgo@auburnalabama.org

Request Sidewalk or Traffic Calming
Engineering Services
334-501-7390
serviceorders@auburnalabama.org

Report a Street Light Outage
Alabama Power
1-800-245-2244
customerservice2.southerncompany.com/outages/report

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

Cemeteries
Parks & Recreation
Sari Card, 334-501-2933
scard@auburnalabama.org

Auburn FixIt App
FixIt makes it even easier to access City Services
Request City services and report non-emergency concerns directly to City staff and track an issue’s progress from beginning to resolution. It’s accessible, transparent and made for you, our residents.
Simply download the app on your mobile device or create an account online, and start letting us know how we can help!
auburnalabama.org/FixIt

CAN’T FIND WHAT YOU’RE LOOKING FOR?

CITY HALL
334-501-7260
webocm@auburnalabama.org
144 Tichenor Avenue
Auburn, AL 36830

AUBURN ABOUT
ANNUAL EVENTS
Polar Plunge: January
Sign up, dive in, and raise money for a great cause. Recruit sponsors to support you as you brave the cold and take the plunge in support of the Lee County Special Olympics.

Daddy Daughter Date Night: February
For 32 years, Auburn has hosted a Daddy-Daughter Date Night with five different nights of refreshments, door prizes, dance contests, and keepsake photos. Daughters, dads, granddads, and uncles are invited to dance the night away and create an evening of lifetime memories.

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

Easter Egg Hunt: April
Our Easter egg hunt is one of the largest in Lee County, with over 35,000 eggs hidden over four acres! With different hunting grounds for each age group, it is sure to be a blast for the whole family.

Summernight Downtown Art Walk: June
The summernight downtown art walk is a downtown entertainment district event, free to the public and takes place rain or shine! The art walk features a parade, works by local artists, live musical entertainment, children’s activities, and a lemon culinary contest!

Independence Day Celebration: July
Celebrate Independence Day with the Auburn community. Bring a blanket and a picnic basket with your family to enjoy free goodies, fun music, inflatables, and the best fireworks in the area!

Frighth Night Movie: October
From music, kid’s activities, and an evening of spooky movies to get you in the Halloween spirit, there’s plenty for everyone. We encourage you to bring blankets, chairs, and picnic dinners to enjoy the movies!

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

Veterans Day Ceremony: November
Join the City of Auburn and the Auburn Veterans Committee in honoring those who have served during the Annual Veterans Day Ceremony at the Auburn Veterans Memorial Monument.

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

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

Cant Find What You’re Looking For?

City Hall
334-501-7260
webocm@auburnalabama.org
144 Tichenor Avenue
Auburn, AL 36830
Parks, Recreation, and Cultural Master Plan

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

Northwest Auburn Neighborhood Plan

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

Comp Plan 2030

CompPlan 2030 is the City of Auburn’s plan for future growth and development over the next 20 years and provides recommendations for the future based on public input, analysis of existing and future conditions, and the best practices of planning. CompPlan 2030 focuses on how we use the land, now and in the future; how land use and the built environment affect the natural world, and vice-versa; schools, parks, and other facilities that form the civic foundation of the City; and the many forms of transportation that link everything together.

Renew Opelika Road Plan

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

Downtown Master Plan

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

As COVID-19 continued to impact the industrial sector in FY21, the Economic Development team recruited a new data center project to the City of Auburn with a total capital investment of over $127 million while also supporting expansion of many of our existing industrial partners. The Economic Development team’s efforts resulted in over 100 jobs created in FY21.

The Auburn Water Works Board completed construction of a new water well in December 2020. This new source of high-quality groundwater is projected to benefit residents until 2050, positioning Auburn’s water supply to meet demands for the foreseeable future while strengthening the resiliency of the overall water system.

Auburn’s oldest cemetery, Pine Hill, opened a new Cremation Garden. The garden has 4 columbariums for a total capacity of 640 cremations. The City also has plans for in-ground and above ground cremation markers around the columbariums.

Parks and Recreation completed a renovation of the Frank Brown Recreation Center. Renovations included construction of a new entrance, additional offices, and a rear shade awning for citizens using the basketball courts.

The City of Auburn purchased approximately 60 acres of land on Wire Road for new Environmental Services and Public Works facilities. Once the new facilities are constructed and relocated, the Boykin Campus Improvements project will begin.

The Renew Opelika Road Phase 4 improvements project from Saugahatchee to Gentry Drive began construction in fiscal year 2021. The continued infrastructure investments in Opelika Road as identified in the Renew Opelika Road plan will help encourage new private sector investments and reinvestments in one of the City’s most important corridors. Phase 4 is expected to be completed in late Spring or early Summer of 2022.

A new walking path was constructed at Sam Harris Park. The 0.56 mile crushed stone trail connects Sam Harris Park to the Auburn Soccer Field at Shug Jordan, as well as the Lee County Humane Society.
The City’s multiple strategic plans, as outlined on previous pages of this report, guide the development of the Six-Year Capital Improvement Plan (CIP), which outlines major capital investments over the next six planning years. All projects are carefully reviewed and approved by the City Council and are funded based on prioritization. The CIP guides the City’s decisions regarding debt issuance and capital budgeting and is a critical part of the City’s biennial budget. Capital investments are outlined in the chart below by project type for fiscal year 2021 through and including fiscal year 2026.

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

For more information on the Six-Year Capital Improvement Plan, please visit: aubamalabama.org/budget

CAPITAL CONSTRUCTION PROJECTS COMPLETED IN 2021

WRIGHT STREET PARKING DECK
The new deck, located at 140 Wright Street, brings 350 public parking spaces to downtown Auburn. The property also includes a greenspace that fronts North College Street with benches and a sidewalk from the deck to North College Street lined with pedestrian lighting.

DINIUS PARK
The new 13-acre passive park, located at 1435 E. Glenn Avenue, includes walking trails, small and large dog parks, a nature playground and a small pond. Dinius Park is named after the Dinius family who donated the land to the City of Auburn.

COLLEGE & SHUG JORDAN INTERSECTION
The intersection improvements widened Shug Jordan Parkway and North Donahue Drive to accommodate right turn lanes in all directions and upgraded the traffic signals.
The City of Auburn has received the Triple Crown from the Government Finance Officers Association (GFOA) for receiving the Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting (PAFR) Award, and the Distinguished Budget Presentation Award.

The previous pages of this document provided information about the profile of the City of Auburn. The remainder of the document focuses on the City of Auburn’s financial information for the fiscal year ended September 30, 2021.

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

As part of the City’s continuous effort to keep its citizens informed on how tax dollars are spent, the following pages provide unaudited summarized information about the financial activities of the City of Auburn. This information is prepared from the City’s 2021 Annual Comprehensive Financial Report (ACFR).

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

The Certificate of Achievement for Excellence in Financial Reporting awards governments who go beyond the minimum requirements of GAAP to prepare an annual financial report that is easily readable and efficiently organized.

The Popular Annual Financial Reporting Award recognizes governments for producing a PAFR easily understandable to the general public and other interested parties without a background in public finance.

The Distinguished Budget Presentation Awards Program was received for high quality budget documents that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA’s best practices on budgeting.
The City of Auburn has multiple revenue sources to support operations and capital outlays. As is typical in the State of Alabama, City of Auburn property taxes are relatively low and therefore, are not the City’s primary revenue source. Sales and use taxes are the largest revenue source in the City’s General Fund, providing 44.9% ($50.9 million) of revenue in fiscal 2021. The total sales tax rate for purchases made within the City of Auburn is 9%, which includes 4% appropriated to the State, 4% to the City of Auburn, and 1% to Lee County.

The second largest revenue source for the General Fund is business license fees and permits, which provided 13.4 % ($15.2 million) of revenue in fiscal 2021.

The third largest revenue source is the City’s occupational license fee, which is a 1% fee on the gross salaries and wages earned within the City of Auburn. This revenue source provided 12.6% ($14.3 million) of General Fund revenues in fiscal 2021.

The chart below provides General Fund revenues for the last three fiscal years.

General Fund Revenues Summarized (data in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY2021</th>
<th>FY2020</th>
<th>FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Use Taxes</td>
<td>50,902</td>
<td>43,839</td>
<td>43,804</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>15,243</td>
<td>15,705</td>
<td>15,188</td>
</tr>
<tr>
<td>Occupational License Fees</td>
<td>14,346</td>
<td>13,830</td>
<td>13,286</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>13,631</td>
<td>12,999</td>
<td>12,863</td>
</tr>
<tr>
<td>General Property Taxes</td>
<td>7,375</td>
<td>6,946</td>
<td>6,232</td>
</tr>
<tr>
<td>Lodging Taxes</td>
<td>2,410</td>
<td>1,901</td>
<td>2,582</td>
</tr>
<tr>
<td>Other Taxes and Fees</td>
<td>9,556</td>
<td>8,139</td>
<td>7,334</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$113,413</strong></td>
<td><strong>$103,368</strong></td>
<td><strong>$101,289</strong></td>
</tr>
</tbody>
</table>

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

The chart below provides General Fund expenditures for the last three fiscal years.

General Fund Expenditures (data in thousands except Per Capita)

<table>
<thead>
<tr>
<th></th>
<th>FY2021</th>
<th>FY2020</th>
<th>FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td>$ 26,233</td>
<td>$ 23,845</td>
<td>$ 24,372</td>
</tr>
<tr>
<td>*Payments to Component Units</td>
<td>15,679</td>
<td>14,466</td>
<td>14,371</td>
</tr>
<tr>
<td>**Capital Outlay</td>
<td>19,590</td>
<td>10,842</td>
<td>12,855</td>
</tr>
<tr>
<td>Recreation and Culture</td>
<td>7,998</td>
<td>7,845</td>
<td>8,114</td>
</tr>
<tr>
<td>Environmental Services/Public Works</td>
<td>6,150</td>
<td>5,602</td>
<td>5,109</td>
</tr>
<tr>
<td>Development Services</td>
<td>5,205</td>
<td>5,190</td>
<td>5,118</td>
</tr>
<tr>
<td>Debt Service</td>
<td>7,290</td>
<td>6,665</td>
<td>6,991</td>
</tr>
<tr>
<td>General Government/Administration</td>
<td>5,205</td>
<td>5,952</td>
<td>7,816</td>
</tr>
<tr>
<td>Economic Development</td>
<td>3,988</td>
<td>3,588</td>
<td>3,345</td>
</tr>
<tr>
<td>Other</td>
<td>12,805</td>
<td>10,833</td>
<td>11,276</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$110,889</strong></td>
<td><strong>$94,707</strong></td>
<td><strong>$97,247</strong></td>
</tr>
</tbody>
</table>

*Includes approximately $14 million each fiscal year of direct education funding disbursed to Auburn City Schools.
**Includes infrastructure, parks, facilities, and capital equipment above a threshold of $5,000.
In the simplest terms, fund balance is the difference between what the City owns (assets) and what the City owes (liabilities). However, in governmental fund financial statements, there are no physical assets (land, infrastructure, facilities, etc.) nor any principal debt outstanding presented. The fund financial statements represent a current resources focus, including current assets such as cash, investments, and receivables, offset by current liabilities, such as accounts payable, claims, and unearned revenue.

The General Fund’s fund balance is categorized into five categories, as described below, in order to make the extent of the constraints placed on a government’s fund balance more transparent.

### GENERAL FUND - FUND BALANCE

**FY2021 Total: $68,745,828**

- **60% Unassigned**
- **30% Assigned**
- **7% Non-spendable**
- **2% Committed**
- **1% Restricted**

### ASSETS
What we own

<table>
<thead>
<tr>
<th>Current &amp; Other Assets</th>
<th>Capital Assets</th>
<th>Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td>$153,610</td>
<td>$17,799</td>
</tr>
<tr>
<td>Business-type Activities</td>
<td>$288,600</td>
<td>$83,191</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$442,210</strong></td>
<td><strong>$100,990</strong></td>
</tr>
</tbody>
</table>

### LIABILITIES
What we owe

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>Long-Term Debt &amp; Other Liabilities</th>
<th>Total Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td>$34,171</td>
<td>$4,836</td>
</tr>
<tr>
<td>Business-type Activities</td>
<td>$303,290</td>
<td>$29,724</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$337,460</strong></td>
<td><strong>$34,560</strong></td>
</tr>
</tbody>
</table>

### Deferred Outflows of Resources

- Governmental Activities | $15,546 | $3,085 | $18,631 |
- Business-type Activities | |
- **Total** | | | |

### Deferred Inflows of Resources

- Governmental Activities | $226 | $84 | $310 |
- Business-type Activities | |
- **Total** | | | |

### Total Net Position

- Governmental Activities | $120,069 | $69,431 | $189,500 |
- Business-type Activities | |
- **Total** | | | |

*The City of Auburn issues debt (repaid with legally dedicated ad valorem taxes) for the benefit of Auburn City Schools (ACS). However, the City does not have title to the assets associated with the issued debt, therefore the land and buildings are not listed with the Capital Assets above.*

Deferred outflows and inflows represent consumption and acquisition of items applicable to a future reporting period. The balances are primarily related to the City’s pension and other postemployment benefits. Details regarding these activities can be found in the Notes to the Financial Statements of the ACFR.

Auburn, Alabama’s Annual Comprehensive Financial Report contains audited financial information in greater detail. For further information, please contact the Finance Department (334) 501-7220 or view at auburnalabama.org/annualreport.
The City of Auburn maintains excellent credit ratings of AA+ from Standard & Poor’s and Aa2 from Moody’s rating agencies. Bond ratings represent the credit worthiness of the City and measure the City’s ability to meet financial commitments. The double A rating is reserved for organizations characterized by competent management, stable economies, and manageable debt levels. Strong bond ratings allow the City of Auburn to receive lower interest rates on its bond issues.

General obligation bonds, warrants, and notes payable outstanding totaled $276.9 million on September 30, 2021. The City issues and manages debt for Auburn City Schools and for projects that result from partnerships with Auburn University or component units of the City, as well as City Sewer and General Funds. Of the $276.9 million in debt outstanding, $195.8 million is debt issued for assets that belong to Auburn City Schools, and $1.2 million for assets that belong to the City’s Public Park and Recreation Board. General obligation debt is usually payable from the City’s general revenues of the General Fund. However, the schools and sewer debt is intended to be repaid from respective funds or dedicated sources. The chart below shows the repayment sources for debt principal outstanding as of September 30, 2021.

State statutes limit the amount of general obligation debt (exclusive of education and utility borrowings) the City may issue to 20% of the total assessed value of all taxable property within the City’s corporate limits. The City’s current debt limit is $205.0 million. The amount of debt outstanding applicable to this limit is $50.6 million.

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

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

FOR MORE INFORMATION:
| Solid Waste Management | auburnalabama.org/garbage-and-recycling/ |
| Sewer | auburnalabama.org/water-resource-management/sewer/ |
Component units include organizations that are financially accountable to the City’s executive or legislative branches (the Mayor or the Council, respectively) and other organizations for which the nature and significance of their relationships with the primary government are such that their exclusion could cause the City’s financial statements to be misleading or incomplete. All component units are legally separate from the City. Currently there are six discretely presented component units of the City of Auburn.

Board of Education
auburnschools.org

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

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

Public Parks and Recreation Board
auburnalabama.org/boards-and-commissions/advisory/public-park-and-recreation-board

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

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

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

Biennial Budgeting
The City of Auburn operates under a biennial (two-year) budget. The biennial budget consists of two one-year budgets and a Six-Year Capital Improvement Plan. Operating under a two-year budget gives City Council and City management a longer budgeting horizon and reduces the amount of staff time required for developing and adjusting the budget. The fiscal year for the City runs from October 1 each year through and including September 30 of the following year. Fiscal year 2021 ended September 30, 2021, and Fiscal Year 2022 will complete the 2021-2022 Biennial Budget on September 30, 2022.

Looking Forward
Below is the updated General Fund Budget Overview for FY2021-FY2022, which was approved by the City Council on August 17, 2021 as part of the Mid-Biennium Budget process.

General Fund Budget Overview (data in thousands)

<table>
<thead>
<tr>
<th></th>
<th>BUDGET FY2021</th>
<th>BUDGET FY2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>$ 64,581</td>
<td>$ 50,662</td>
</tr>
<tr>
<td>Revenues</td>
<td>99,571</td>
<td>100,976</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>539</td>
<td>547</td>
</tr>
<tr>
<td>Total Available Resources</td>
<td>$ 164,692</td>
<td>$ 152,185</td>
</tr>
<tr>
<td>Expenditures</td>
<td>97,477</td>
<td>92,580</td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>16,554</td>
<td>17,156</td>
</tr>
<tr>
<td>Total Expenditures &amp; OFU</td>
<td>$ 114,031</td>
<td>$ 109,736</td>
</tr>
</tbody>
</table>

Detailed budget information and full budget documents can be found on the budget and strategic planning website: auburnalabama.org/budget